Daily Report

Central Eurasia

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FBIS-SOV-94-165 *25 August 1994*

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ITAR-TASS Carries Press Review for 25 Aug

LD2508070294 Moscow ITAR-TASS in English 0511 GMT 25 Aug 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow August 25 TASS—The ROSSISKAYA GAZETA carries a report on the observance of human rights and citizens' rights in the Russian Federation in 1993, published in five columns. The report was made by a commission for human rights under the Russian president.

The newspaper says that the summed up information provided in the report is serious and it would be immoral to conceal it from the public. The newspaper emphasised the public importance of the document, saying that the appearance of a new political tradition connected with the publication of annual reports on human rights in Russia will enhance its prestige. Russia's revival will be impossible if the state does not respect human rights. There will be no democracy, freedom or civic accord unless human rights are observed. One cannot close his eyes to violations of the new Russian Constitution, human rights and infringements on people's freedom and dignity which we encounter at a federal and regional levels, the newspaper said.

The IZVESTIYA newspaper raises the problem of integration of CIS states. The newspaper acquaints its readers with draft projects for the creation of a payment union and an interstate economic committee. The need to create such structures did not appear out of nothing. Tens and hundreds thousands of citizens in many republics faced almost unsolvable problems connected with old-age pensions, state and children allowances to be paid by another CIS country. It seems that these problems will be resolved now, the newspaper concludes.

The KRASNAYA ZVESZDA daily publishes a statement made by the Russian Defence Ministry. Recently, a growing number of critical publications have appeared about the situation in the armed forces, the statement said. Such publications often contain tendentious conclusions, forecasts and unconfirmed information about alleged corruption in top military circles. Besides, there are exaggerated speculations alleging that there are differences between the president and the country's military leaders. The emphasis is put on negative developments in the army and the fleet accompanied by incessant and overall criticism of the progress of military reform.

The Russian Defence Ministry believes that under conditions of speculations on difficulties faced by the army, provocative attempts to involve the army in political conflicts and administration games are dangerous both for the armed forces and society, the statement said.

The press devotes considerable attention to the situation in Chechnya. The NEZAVISIMAYA GAZETA writes that drums are heard and military slogans are being chanted in the Chechen capital and the opposition is preparing to introduce its troops in Groznyy. The newspaper stresses the fact that Afghanistan has sent eight military instructors to Groznyy, and 12 such instructors have arrived from Pakistan. Four Bosnian militants managed to break through to Chechnya from Europe.

Chechnya is living today under conditions of military hysteria and fear inflamed by rumors spread by the mass media about alleged preparations for Russia's military intervention in Chechnya, the KRASNAYA ZVEZDA daily writes. The Russian Defence Ministry has never provided and is not providing groups of the Chechen opposition with arms or military hardware. The Russian Defence Ministry is not considering any "force solution" of the political crisis in Chechnya, KRASNAYA ZVEZDA said.

NEZAVISIMAYA GAZETA comments on the incident of confiscating radioactive plutonium in the Munich airport. Although consensus has been reached on the incident with nuclear smuggling, it does not mean that the plutonium scandal is over, the newspaper says. It goes on to say that no answers were given to some questions, such as why all incidents of nuclear smuggling were registered in Germany only; if attempts to smuggle nuclear materials were really registered, who was the customer to whom the smuggled materials were finally addressed.

Similar questions were raised by the SOVETSKAYA ROSSIYA daily. If nuclear smuggling is really targeted at some developing countries wanting to illegally obtain a nuclear bomb, as German experts say, why smuggling materials, allegedly flown from Russia and other former Soviet republics, were directed to Germany rather than to the south, for instance, to Azerbaijan, where customs control is so tough as in Germany, the newspaper asks. "The aim of this plutonium game carried on by European tricksters is obvious - to take Russia's nuclear arsenals under control," the newspaper concludes.

PRAVDA carries an article by Nikita Veselov, entitled "American interests in Russia." "The policy of the United States of America towards Russia pursues only one goal—not to let a state or a group of states, which might challenge the U.S. leading role in the world, appear in the international arena and pose a threat to areas of investments of U.S. capital and sources of raw materials and energy resources," the political experts says.

An article carried by the NEZAVISIMAYA GAZETA, entitled "Reformer Solzhenitsyn and the Moslem problem", comments on Solzhenitsyn's views on the problem of Russia's relations with the Moslem world.

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Economic Cooperation Agreement Signed With Yugoslavia

LD2408143394 Moscow ITAR-TASS in English 1349 GMT 24 Aug 94

[By ITAR-TASS diplomatic correspondent Andrey Shtorkh]

[Text] Moscow August 24 TASS—An agreement on trade and economic cooperation between the Russian Federation and the United Republic of Yugoslavia [as received], as well as an agreement to set up an intergovernmental Russo-Yugoslavian committee for commercial, economic, scientific, and technological cooperation was signed here today by Oleg Davydov, Russian minister for foreign economic relations, and Nikola Sainovic, deputy premier and minister for external economic relations of the United Republic of Yugoslavia.

These documents lay the necessary legal foundation for the further promotion of all-round economic relations between the two states, primarily in machine-building, petrochemistry, and construction.

Davydov told ITAR-TASS that the agreements would come into force only after the U.N. Security Council decided to cancel or relax its economic sanctions against the United Republic of Yugoslavia. The minister also said that thanks to these documents Russia will be able, practically the first among the developed nations of the world, to get a firm footing on the Yugoslavian market. "The Yugoslavian side has assured us that Russian enterprises would not be subjected to any discrimination and could do business in conditions of absolute freedom," he noted.

Assessing the signed documents, chairman of the government of the Serbian republic Mirko Marjanovic, a member of the Yugoslavian delegation, said that Russia has always been and remains the most important economic partner of the United Republic of Yugoslavia. He also expressed the hope that the Yugoslavian direction of economic cooperation would be among Russia's priorities.

Moscow, Belgrade To Restore Full Trade Ties

LD2408180494 Moscow INTERFAX in English 1707 GMT 24 Aug 94

[Text] Moscow and Belgrade will completely restore their bilateral trade and economic cooperation immediately after the U.N. sanctions against Yugoslavia are lifted, Russian Foreign Economic Relations Minister Oleg Davydov told a news conference Wednesday devoted to the results of the talks with a Yugoslav government delegation in Moscow from August 22 to 24.

The Yugoslav delegation was headed by Vice Prime Minister, Foreign Economic Relations Minister Nikola Sainovic and Serb Prime Minister Mirko Marjanovic. The two leaders pointed to Yugoslavia's interest in the development of trade and industrial cooperation with Russia on a long-term basis.

In an interview with Interfax, Marjanovic said that the two sides had agreed to lay a pipeline for pumping Russian gas to Serbia. Yugoslavia will set aside $350 million for the implementation of the project.

Before the U.N. sanctions were imposed Yugoslavia annually received about $2.5 billion cubic meters of Russian gas. At present, Yugoslavia, including Serbia, requires 3.5 billion cubic meters of gas from Russia every year. Yugoslavia hopes that after the gas pipeline, to be the joint property of four Yugoslav companies and the Russian joint-stock company Gazprom, is constructed the supplies of Russian gas will increase up to 7-10 billion cubic meters.

For its part, Russia is interested in purchasing equipment and energy production installations in Yugoslavia, Davydov said.

After the talks ended, Davydov and Sainovic signed an intergovernmental agreement on trade and economic cooperation as well as one on creation of a Russian-Yugoslav Trade Committee.

Prime Ministers Discuss Easing of Sanctions

LD2408163894 Belgrade TANJUG Domestic Service in Serbo-Croatian 1504 GMT 24 Aug 94

[Excerpts] Moscow, 24 August (TANJUG)—Russian Prime Minister Viktor Chernomyrdin and some associates had talks in Moscow today with Serb Prime Minister Mirko Marjanovic and Nikola Sainovic, federal deputy prime minister .

Chernomyrdin and Marjanovic had a one-hour meeting at which they exchanged views on many aspects of economic cooperation, the situation in Bosnia-Herzegovina, and the efforts being made toward the peaceful settlement of that conflict. Both sides presented their views on this issue and supported efforts for the peaceful resolution of the conflict.

It has been learned unofficially that the Russian side supported Belgrade's policy in connection with the resolution of the Bosnian conflict and in this context pointed to the need to ease the sanctions against Yugoslavia.

It has been announced that Foreign Minister Andrey Kozyrev would probably visit Belgrade on Sunday [28 August] for talks with Serb President Slobodan Milosevic.

Nikola Sainovic, federal deputy prime minister, and Oleg Davydov, Russian minister for foreign economic relations, signed two documents in Moscow today: on trade and economic cooperation and on the setting up of an interstate committee for trade, scientific, and economic cooperation which would come into force following its ratification.

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After the talks with Chernomyrdin, the Serb prime minister said that he was very pleased with the meeting and the talks on economic cooperation and the political situation in the Balkans.

"Our talks on both issues were cordial and constructive, and I hope they will give results," Marjanovic stated.

He said that the Russian prime minister stessed that his country would firmly support the position recently presented in Belgrade by Foreign Minister Andrey Kozyrev and also his agreement with Serb President Slobodan Milosevic.

According to Marjanovic, this is a very important fact, and it represents a kind of resistance to different pressures being exerted on the contact group and the Russian representative in it, with the aim of keeping or even stepping up sanctions against Yugoslavia.

It is high time the sanctions were not only eased, but lifted, Marjanovic noted.

The Serb prime minister said the Russian prime minister told him that his opinion and the opinion of Russian citizens was that it was necessary to restore peace in the Balkans.

The Russian prime minister also said that Russian citizens were deeply affected by what is happening on the territory of former Yugoslavia, that Moscow was making efforts towards reestablishing peace in that area and that it would urge the lifting of the sanctions against Yugoslavia.

The Serb prime minister said: I expect that the Russian leadership will be consistent and successful in its struggle for the abolition of sanctions against Yugoslavia, in keeping with the conclusions reached during Foreign Minister Andrey Kozyrev's recent talks in Belgrade.

Marjanovic drew special attention to the warm welcome he and his delegation were given in Moscow.

Marjanovic invited the Russian Federation prime minister to visit Yugoslavia. Chernomyrdin accepted the invitation with pleasure. [passage omitted]

The two ministers were also reported to have discussed the construction of a southern section of the oil pipeline that would run from Bulgaria to Yugoslavia. Russia's share in the project would be 50 percent.

The Russian side hinted that it would resubmit a request to the UN Sanctions Committee for a licence to export natural gas to Yugoslavia for humanitarian needs.

Circles close to the Russian Foreign Ministry have interpreted the signing of the trade agreements with Yugoslavia as a "political decision."

The guests from Yugoslavia are ending their visit to Moscow this afternoon and returning to Belgrade.

Chernomyrdin, Marjanovic Affirm Stands

AU2408180494 Belgrade Radio Beograd Network in Serbo-Croatian 1700 GMT 24 Aug 94

[Text] The Russian Government in all aspects holds to the position that Foreign Minister Andrey Kozyrev recently presented in talks with Serbian President Slobodan Milosevic, it was emphasized during talks between Serbian Prime Minister Mirko Marjanovic and Russian Premier Viktor Chernomyrdin. TANJUG correspondent Djordje Milosevic reports from Moscow:

[Begin Milosevic recording] Russian Federation Prime Minister Viktor Chernomyrdin held talks with Serbian Prime Minister Mirko Marjanovic in Moscow today. As we have learned, during the one- hour talks they exchanged opinions about numerous aspects of business cooperation, the situation in Bosnia, and the efforts to find a peaceful resolution of the conflict. Both sides put forward their opinions about this issue and supported the efforts for a peaceful resolution of the conflict.

The Russian side, as it was officially stated, upheld Belgrade's views regarding the resolution of the conflict in Bosnia and within this context pointed out the need to alleviate the sanctions against Yugoslavia.

It has been announced that Russian Foreign Minister Andrey Kozyrev will arrive in Belgrade most probably on Sunday, 28 August to hold talks with Slobodan Milosevic.

Deputy Prime Minister Nikola Sainovic and Russian Minister for Foreign Economic Relations Oleg Davydov today signed two documents on trade and economic cooperation and on the formation of an intergovernmental committee for trade, scientific, and economic cooperation.

Serbian Prime Minister Mirko Marjanovic stated after the talks with Viktor Chernomyrdin that he was very satisfied with the meeting and the talks on economic cooperation and the political situation in the Balkans. Regarding both issues the talks were cordial and constructive, and I hope that they will yield results, Marjanovic stated.

He said that the Russian prime minister had emphasized that his country will adhere firmly to the positions that Russian Foreign Minister Kozyrev had recently presented in Belgrade and to the agreement with Serbian Prime Minister Slobodan Milosevic. [end recording]

Marjanovic Announces Kozyrev Visit to Belgrade

AU2408145894 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 24 Aug 94

[Text] At the start of our newscast we reported that Russian Prime Minister Viktor Chernomyrdin held talks with Serbian Prime Minister Mirko Marjanovic in Moscow today. Here is the latest report by TANJUG correspondent Djordje Milosevic:

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As we have learned, Chernomyrdin and Marjanovic exchanged views on numerous aspects of economic and other forms of cooperation between Yugoslavia and Russia, and other issues of mutual interests.

The Russian side has supported Belgrade's stand on the settlement of the conflict in Bosnia. Serbian Prime Minister Marjanovic has described the talks as very useful. He told the TANJUG correspondent that Russian Foreign Minister Andrey Kozyrev will visit Belgrade at the end of this week to hold talks with Serbian President Slobodan Milosevic.

Deputy Federal Prime Minister Nikola Sainovic and Oleg Davydov, Russian Minister for Foreign Economic Relations, signed two documents in Moscow today, an agreement on trade and economic cooperation and an agreement on the setting up of a joint commission for trade, scientific, and economic cooperation.

Comments on Lifting of Sanctions

AU2408191794 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 24 Aug 94

[Statement by Serbian Prime Minister Mirko Marjanovic given after the talks with Russian Prime Minister Chernomyrdin in Moscow on 24 August—recorded]

[Excerpts] I am very satisfied with the talks that I held with Prime Minister Chernomyrdin and his assistants.

We discussed economic cooperation and also the political situation in the Balkans. I believe that I can conclude that in both aspects our talks were very warm and very constructive, and I believe that they will yield results. [passage omitted]

Assessing the political situation in the Balkans, Mr. Chernomyrdin clearly indicated that Russia will adhere firmly to the position that Mr. Kozyrev presented to us in Belgrade and to the agreement that Mr. Kozyrev reached with President Milosevic. I believe that this should be assessed as a very positive thing.

I think that, in a way, this is a clear resistance to various pressures that are being exerted upon the Contact Group and the Russian representative in the Contact Group, that is, to introduce or retain sanctions against us. It is high time to pursue not merely the alleviation of the sanctions, but also their lifting. That is what I can say. In short, that is also what I expected.

I am very satisfied. Mr. Chernomyrdin told me that it is not only his opinion, but also that of the Russian citizens that peace should finally be restored in the Balkans. The Russian people show a profound understanding for everything that is happening now and view with sympathy the restoration of peace in Yugoslavia as a traditional friendship exists between our peoples. He reiterated that Russia will advocate not only this, but also the lifting of the sanctions.

Kozyrev on New Initiatives for Belgrade Visit

LD2408175994 Moscow ITAR-TASS in English 1733 GMT 24 Aug 94

[Text] Moscow August 24 TASS—Russian Foreign Minister Andrey Kozyrev will visit Belgrade on Sunday, August 28, for talks with Serbian President Slobodan Milosevic, the Russian Embassy in Yugoslavia told ITAR-TASS on Wednesday.

During the visit, the sides will discuss a wide range of issues concerning ways to settle the 28-month armed conflict in Bosnia- Herzegovina.

The visit will coincide with the August 27-28 Bosnian Serb referendum on the peace plan proposed by the international contact group. Bosnian Serb leader Radovan Karadzic said he expects 90 to 95 per cent of the voters to say no to the plan which, he claims, contradicts the national interests of the Serb people.

It is unclear as yet what issues exactly Kozyrev will discuss with Milosevic. It is possible that he may put forth new initiatives on the Bosnian conflict settlement. It is especially important now that Milosevic has left himself practically no levers to influence Bosnian Serbs, following his August 4 order to terminate all political and economic relations with the Republic of Srpska and close the border with Bosnian Serbs who have refused to accept the peace plan.

By so doing Belgrade has dissociated itself from the militant policy pursued by the pale leaders and eliminated formal reasons for tightening sanctions against Yugoslavia. Belgrade expects Kozyrev to reaffirm Russia's call for the need to gradually lift the sanctions that have been in effect for over two years.

Some European countries believe it possible only if Yugoslavia agrees to the deployment of international observers on the border with the Republic of Srpska to prevent arms supplies to Bosnian Serbs.

However, Milosevic has rejected the proposal, saying it violates Yugoslavia's sovereignty. The talks with Kozyrev may help reach a compromise.

Kozyrev has informed other contact group members about his upcoming trip. The trip aims at studying the situation on the ground, following Belgrade's tightening security on the border with Bosnia-Herzegovina, ITAR-TASS learnt from informed sources.

Experts believe that the steps taken by Belgrade will create favourable prerequisites for easing or even lifting U.N. economic sanctions on Yugoslavia. One of the major obstacles, however, is the remaining uncertainty about the enforcibility of effective border control.

To Meet Serbian Leaders

LD2408164294 Moscow ITAR-TASS in English 1619 GMT 24 Aug 94

[Text] Moscow August 24 TASS—Russian Foreign Minister Andrey Kozyrev will visit Belgrade this weekend to

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meet with Serbian President Slobodan Milosevic and Serbian Prime Minister Mirko Marjanovic, sources close to the Yugoslav official delegation currently in Moscow said on Wednesday.

The delegation is in Moscow to sign bilateral documents on economic cooperation between the two countries.

Kozyrev has informed other contact group members about his upcoming trip. The trip aims at studying the situation on the ground, following Belgrade's tightening security on the border with Bosnia-Herzegovina, ITAR-TASS learnt from informed sources.

Experts believe that the steps taken by Belgrade will create favourable prerequisites for easing or even lifting U.N. economic sanctions on Yugoslavia. One of the major obstacles is the uncertainty about the enforcibility of effective border control.

Belgrade has so far balked at the West's demands to post foreign observers along the border with Bosnia-Herzegovina.

Urges Tightening of Sanctions

LD2508100794 Moscow ITAR-TASS World Service in Russian 0920 GMT 25 Aug 94

[By ITAR-TASS diplomatic correspondent Andrey Shtorkh]

[Text] Moscow, 25 August— Russia favors a differentiated approach to international sanctions against the Bosnian Serbs and the Federal Republic of Yugoslavia. Andrey Kozyrev, the Russian Federation foreign minister, told journalists this today before leaving for Uzbekistan. At the end of this week the Russian foreign minister is to visit Belgrade.

"I am against the lifting of sanctions against the Bosnian Serbs," he stressed. "The party which rejects the peace plan proposed by the contact group has to suffer all the consequences of such a position, including economic sanctions." By refusing to accept the peace plan, "the Bosnian Serbs have adopted a position which runs counter to the interests of the Serb people."

"We favor not the lifting but the tightening of sanctions against the Bosnian Serbs," the Russian minister said. "But Belgrade is another matter: It has changed its position and announced its support for the contact group's plan, a move which conforms with fundamental national interests. Therefore, Belgrade has earned the immediate lifting of at least some of the sanctions imposed on it."

Kozyrev: Tajikistan on Agenda for Uzbekistan Visit

LD2508104094 Moscow ITAR-TASS in English 0938 GMT 25 Aug 94

[By ITAR-TASS diplomatic correspondent Andrey Shtorkh]

[Text] Moscow August 25 TASS—"Normalisation of the situation in Tajikistan will be among the most important questions that will be discussed in Tashkent," Russian Foreign Minister Andrey Kozyrev told journalists before flying to Uzbekistan today.

"Russia stands for the settlement of the conflict on the Tajik- Afghan border with the use of all the necessary means. If the irreconcilable opposition and the Afghan mojaheeds choose the language of war, we must answer them in the same language. But we must also offer them the language of negotiations—the language of peace. I am sure that additional steps will be made in this direction."

"I believe the planned elections in Tajikistan will be held in a democratic atmosphere and will not be a masquerade vote without alternative candidates. I hope these elections will give Tajikistan a legitimate leadership," Kozyrev stated. "The time has come when a step towards the nation-wide election of a president should be made in Tajikistan, which refers in equal measure to the other former Soviet republics. We stand for the participation of all the people in the elections, and the opposition should also take part in this political, non-military battle," he added.

"Russia stands for the resumption of talks with the opposition, the next round of which it is planned to be held in Pakistan," the Russian foreign minister said. "Our position is immutable: A military challenge must be countered by a crushing retaliation, but, at the same time, we leave the door wide open to the political process."

Asked by ITAR-TASS about the programme of the visit, the Russian foreign minister pointed out that the Tashkent negotiations, in addition to the Tajik problem, will be devoted to a no less important subject of bilateral Russo-Uzbek relations. "We must begin adding concrete substance to the treaty signed during Uzbek President Islam Karimov's recent visit to Moscow," the Russian foreign minister stated. "Our working team includes the heads of several political and power structures, almost a half of the members of the Russian Security Council," he added.

"Tashkent's key role in Central Asia is obvious," Kozyrev continued, "hence our attention is being focused on problems of regional security and regional cooperation."

"Uzbekistan ranks among our most important partners in the Commonwealth of Independent States," the Russian minister stressed. "While in Tashkent, we shall continue work with our Uzbek colleagues to prepare the ground for the CIS heads of government meeting, scheduled for September 9. We shall also discuss questions linked with the October CIS summit meeting. It is also high time to think about preparations for the Russian president's reply visit to Uzbekistan."

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Moscow Opposes Sevastopol Council Stand

LD2408145994 Moscow ITAR-TASS in English 1357 GMT 24 Aug 94

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow August 24 TASS—"Russian politicians do not intend to capitalise on Ukraine's internal difficulties for their own benefit," a Russian presidential key adviser Mark Urnov said.

Urnov, deputy head of the analytical centre of President Boris Yeltsin's administration, told ITAR-TASS on Wednesday that the Sevastopol City Council's decision to declare the port Russian territory is a "political adventure which may destabilise the situation and negatively affect the Russian-speaking population in Ukraine."

He stressed that "territorial integrity and inviolability of borders of all countries in the near and far abroad constitute the fundamental principle of the Russian foreign policy."

"The Sevastopol problem and the status of the Black Sea Fleet remain very important to Russia. These topics will be raised at the Russian-Ukrainian summit talks" scheduled for early October, another centre top official said. "But this problem must be solved not unilaterally, but together, by Russia and Ukraine," he said.

Further on Rejection of Sevastopol Move

LD2408123294 Moscow INTERFAX in English 1100 GMT 24 Aug 94

[Text] Sevastopol city council's decision to grant itself the status of a Russian city cannot have legal force, the deputy chief of the analytical center under the Russian president, Mark Urnov, told Interfax on Wednesday.

In its relations with CIS countries Russia has always been guided by the principle of respect for their territorial integrity and inviolability of borders, he said and added that to renounce this principle would lead to a "colossal destabilization on the entire Russian border, and affect the situation of ethnic Russians living in neighboring countries."

"The residents of Sevastopol have a right to have their own outlook which should be reckoned with, but it's inadmissible to make far-reaching political conclusions from it," Urnov said.

"It's one thing to feel natural concern about Russian speakers in CIS countries and search for an optimal solution to the Black Sea Fleet problem, and another to build a mechanism for resolving such problems," he said.

Urnov believes that the decision taken by the Sevastopol City Council cannot serve as a base for unilateral actions on the part of Russia that fail to take Ukraine's interests into account.

He described as quite justified the "calm and well-considered" reaction to the resolution of the Sevastopol authorities displayed by the Ukrainian president, whose spokesman said that Leonid Kuchma would refrain from tough measures, since he did not want to undermine the process of negotiations with Russia.

"President Kuchma is right. Such delicate and sensitive problems should be resolved by means of government-level talks," Urnov said.

Swiss Federal Assembly Refuses Zhirinovskiy Entry Visa

LD2408160594 Moscow ITAR-TASS World Service in Russian 1434 GMT 24 Aug 94

[By ITAR-TASS correspondent Konstantin Pribytkov]

[Text] Geneva, 24 Aug—The Federal Assembly (Government) of Switzerland today refused to grant an entry visa to Vladimir Zhirinovskiy, chairman of the Liberal Democratic Party of Russia [LDPR]. Achille Casanova, vice chancellor of the confederation, told correspondents in Berne that this decision had been made on the grounds of Switzerland's national interests, and for general political reasons.

Casanova said that on 15 August, V. Zhirinovskiy submitted a visa request to the Swiss Embassy in Moscow. He stated that he intended to undergo a course of treatment in the Alpine Republic from 5 to 20 September.

The Swiss News Agency (ATS) reports from Berne that the Federal Assembly gave as the reasons for its refusal that it knows that V. Zhirinovskiy "defends ultra-nationalist ideas," and expresses them publicly during his visits abroad. "He has also sought contacts with extremist groups and provoked polemics in many states." "The Government recalls that, at the end of 1993 and at the beginning of this year, Germany, France, Spain, and Slovenia refused to grant him a visa for these reasons," ATS notes.

Yeltsin To Discuss Nuclear Smuggling With Kohl

LD2408163294 Moscow ITAR-TASS in English 1603 GMT 24 Aug 94

[By ITAR-TASS correspondent Anna Melnikova]

[Text] Moscow August 24 TASS—Russian President Boris Yeltsin during his visit to Berlin on August 30-31 will be able to discuss the problem of illegal traffick in fissionable nuclear materials with German Chancellor Helmut Kohl. The probability that this issue will come up for discussion is particularly great in the present situation since the problem of counteracting "nuclear terrorism" is of concern for the entire world community. The issue was also in the focus of the visit to Moscow from August 20-22 of the German chancellor's special

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envoy Bernd Schmidbauer, who is in charge of coordinating the activity of German special services.

Germany and Russia, which was represented by the head of the Federal Counterintelligence Service Sergey Stepashin, agreed that the illegal circulation of nuclear materials, whatever the origin, poses a serious threat to humanity. This is why it is necessary to expand and deepen cooperation to prevent and suppress criminal activities in this sphere.

Although the Schmidbauer mission was recognised by both countries as a success, the question about the origin of the smuggled plutonium confiscated in Munich has remained unanswered.

Experts do not rule out therefore that the question of nuclear contraband, including its global aspect, might become a subject of a separate conversation between Boris Yeltsin and Helmut Kohl.

Joint Exercises With U.S. Cause Controversy

LD2408201794 Moscow ITAR-TASS in English 1944 GMT 24 Aug 94

[By ITAR-TASS correspondent Anatoliy Yurkin]

[Text] Moscow August 24 TASS—The Liberal Democratic Party "Vozrozhdeniye" (Revival) said it is ready to act to protest against the plans to hold joint Russian-U.S. military exercises in the Totskoye training range in the Orenburg region.

Party Executive Committee Chairman Valeriy Skurlatov told ITAR- TASS on Wednesday that these exercises affect Russia's national interests and pursue far-reaching goals. "The Totskoye reconnaissance aims at suppressing the internal opposition to the regime by punitive and police measures," he said.

The party plans to organise mass actions of protest, including to picket, together with other patriotic movements, the U.S. Embassy and the Russian Defence Ministry and hold a mass rally in Moscow in the next few days. He stressed that "all actions of protest will be held in strict compliance with the law."

Aleksandr Konovalov, director of the centre of military policy and system analysis, brushed off the demands to cancel the exercises as sheer political nonsense. In an interview with ITAR-TASS, Konovalov said that the U.S.-Russian exercises do not hold a candle to the Russian-French exercises that took place earlier this year.

Russia is working out approaches towards possible participation in joint peace-keeping operations in the future and needs to train its officers. This is not occupation. The United States has offered to held the exercises in one of its states, he continued. "Slogans and calls to lie down on the ground and do not allow anyone to trample on the Russian soil do not meet the interests of the people because these exercises do not impair the national security" of the country, Konovalov said.

'Provocations' by Hard-Liners Possible

MM2508091194 Moscow IZVESTIYA in Russian 25 Aug 94 p 4

[Report by Viktor Litovkin: "More Guards and Guests Are Expected Than Participants"]

[Text] The preparations for the joint Russian-U.S. exercises at Orenburg Oblast's Totskoye test site are being completed. The exercises are due to be held there 2 through 10 September, Dennis Boxx, a spokesman for the U.S. State Department, said at a briefing in Washington. Nor is the High Command of the Russian Ground Forces, which on our side has been entrusted with overall leadership of the command-staff peacekeeping games, making any secret of the dates.

Colonel General Eduard Vorobyev, first deputy commander in chief of the Ground Forces, told your IZVESTIYA correspondent that everything is ready for the exercises and they should be held at a high organizational and tactical level. The general complained that the only problem is that of accommodating and providing normal working conditions for all the representatives of the world mass media, military attaches, and other important guests wanting to attend these joint maneuvers.

Certain Russian generals involved in preparing these exercises think that there may be far more guests at the Totskoye test range than actual participants. There may quite well be far more soldiers and officers involved in guarding the site of the command-staff games and suppressing possible provocations than participants, journalists, and guests.

There is no end to the political opposition to the exercises. An "assault by hard-liners" on the test range territory is possible, and then the two countries' peacemakers will have to separate conflicting parties in reality, as laid down in the exercise scenario, and not just on maps or in deserted areas.

Nevertheless, Russian generals believe that prudence and common sense will prevail over political emotion and intrigue. And they will unconditionally ensure the requisite order and working atmosphere on the territory under their jurisdiction, which incidentally has been used by the Russian Army as a training center since 1904.

Moreover, the military are relying on help and support from Russian President Boris Yeltsin and the federal authorities. The holding of the Russian-U.S. maneuvers at the Totskoye test range has long since become a state-political rather than a military problem. As for our generals and officers, they have already almost entirely implemented the program for coordinating the two

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departments' fundamental views of peacemaking activity and acquired definite experience of cooperation in complex situations.

During several tours of duty by our generals and officers to the United States and the FRG, where the second participant in the Totskoye exercises is currently stationed —the 3d Infantry Division—and visits by U.S. GI's to Russia, a joint peacekeeping forces' tactics manual based on the legal norms of the United Nations and other international organizations has been formulated and prepared for publication and unified signals and commands have been coordinated, along with methods of troop command and the procedure governing actions to disarm bandit formations which refuse to lay down their arms, help the injured and sick, deliver humanitarian freight, hand over power in the disengagement zone to territorial self-government organs, and return to permanent basing areas. Unified emblems have also been approved—chest and arm badges for the two countries' servicemen.

Our transatlantic partners have even conducted surveys and filed the specifications of the Totskoye military airfield runway, where they intend to land their heavy transporters, which will be shuttling in to the scene of the maneuvers 250 of their soldiers and officers, along with field kitchens and other everyday army gear. It only remains to put this knowledge into practice.

Armed Assailants Threaten NEWSWEEK Moscow Bureau

LD2508062294 Moscow ITAR-TASS in English 0437 GMT 25 Aug 94

[By ITAR-TASS correspondent Aleksey Agureyev]

[Text] New York August 25 TASS—Diana Pirson, a representative from the Moscow bureau of the NEWSWEEK magazine, gave an interview to ITAR-TASS, commenting on an incident which occurred in the Moscow office of the magazine late on Wednesday. She said that they do not know yet who stands behind those who made an attack on the bureau and what the incident means. Nevertheless, she pointed out that she wanted those responsible for the incident to realise that they would not manage to intimidate the staff of the NEWSWEEK Moscow bureau.

She explained that the incident would not make U.S. journalists give up attempts to obtain objective information and make it public in their reports.

The Moscow bureau of the U.S. magazine NEWSWEEK was attacked in Moscow, the magazine managers reported to the ITAR-TASS office in New York late on Wednesday.

A Russian employee on staff of the magazine who was returning to Moscow from the airport in a car carrying NEWSWEEK designation marks on Wednesday night, had to stop under a threat of force. Three unidentified men made him take them to the NEWSWEEK Moscow bureau. Two of the assailants, with at least one of them armed, entered the bureau and used obscene words against the staff. Some time later they left the office. Luckily, no one was injured during the incident.

The staff of the magazine reported about the incident to the U.S. State Department and the U.S. Embassy in Moscow.

Foreign Ministry Comments on Situation in Lesotho

LD2408170794 Moscow ITAR-TASS World Service in Russian 1004 GMT 24 Aug 94

[By ITAR-TASS diplomatic correspondent]

[Text] Moscow, 24 Aug—The Russian Foreign Ministry today appealed to the conflicting sides in Lesotho "to show restraint and responsibility in the country's difficult period, and to urgently start searching for peaceful and compromise ways to solve contradictions and disputes."

The Russian foreign political department's official statement expresses serious concern about the development of events in that small south African state, from which alarming reports are arriving on a new aggravation of the political situation. The decision by Letsie III, king of Lesotho—who on 17 August suspended certain provisions of the Constitution and disbanded the Government and Parliament—evoked a complex response within society, and caused large-scale clashes between government supporters and the opposition, resulting in casualties. The situation is evolving toward direct confrontation; there are attempts to drag the army and the police into the conflict.

The Russian Foreign Ministry's statement expresses the hope that mediation efforts by the Republic of South Africa, Zimbabwe, and Botswana, which in the past have done a good deal to normilize the situation in Lesotho, will be aimed at searching for ways toward a peaceful solution to the problems that have arisen.

FMS Reports 640,000 Migrants From Former USSR

LD2408162194 Moscow ITAR-TASS World Service in Russian 0832 GMT 24 Aug 94

[By ITAR-TASS correspondent Liliya Kuznetsova]

[Text] Moscow, 24 Aug—There are more than 640,000 migrants from the countries of the near abroad in Russia who have been officially recognized as refugees or forced migrants. Sergey Solntsev, the head of the Federal Migration Service [FMS] press office, reported this to the ITAR-TASS correspondent.

According to the migration service's data, Tajikistan, Georgia, and Azerbaijan remain the main sources of refugees. Around half of all migrants come from these

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three republics. The flow of refugees from Chechnya is very high. They currently amount to over 71,000 (around 11 percent of all forced migrants). The number of refugees from the Baltics is not as high as might be supposed. They amount to just 1.7 percent of the total number in Russia.

As for future forecasts, according to data quoted in the federal migration program—which was approved by the Russian President's edict of 9 August 1994—the flow of migrants into Russia from the former union republics in the next two or three years may amount to 800,000 according to the minimum estimate, 2-3 million according to the medium and most probable estimate, and 4-6 million according to the highest estimate.

Moreover, all of the measures in the program are based on an annual flow of no more than 400,000 refugees and forced migrants because of Russia's difficult financial and economic position. If the situation gets any worse, specialists from the FMS say that a significant amount of additional funds will be needed to provide facilities for forced migrants.

Chernomyrdin, Bulgarian Official Discuss Cooperation

LD2408163794 Moscow ITAR-TASS in English 1322 GMT 24 Aug 94

[By ITAR-TASS correspondent Gennadiy Yezhov]

[Text] Moscow August 24 TASS—Russian Prime Minister Viktor Chernomyrdin met with Bulgarian Vice-Prime Minister Kiril Tsochev in Moscow on Wednesday to discuss ways to expand bilateral trade and economic relations.

The meeting was held as part of the preparations for Chernomyrdin's upcoming visit to Bulgaria scheduled for October, 1994.

"Russia has a concrete action plan to expand economic ties with Bulgaria. All we need to do now is to put it into operation as soon as possible," Chernomyrdin said.

Chernomyrdin and Tsochev also discussed draft agreements on cooperation in the gas industry (including to set up in association with the Russian joint stock company Gazprom a plant in Bulgaria to build and service gas pipelines passing through its territory), in the military-industrial complex, nuclear and thermal power engineering, as well as on the liberalisation of foreign trade and possible establishment of a Russian-Bulgarian free trade zone.

Additionally, Chernomyrdin and Tsochev exchanged on the problem of mutual debt payments. After the talks Russian Foreign Trade Minister Oleg Davydov told ITAR-TASS that the sides are likely to agree to a "zero" option.

Counterintelligence Chief Heads Nuclear Monitoring Body

LD2308221594 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 23 Aug 94

[Video report by correspondent Andrey Murtazin, including recording of remarks by Sergey Stepashin, director of Russian Federal Counterintelligence Service—from the "Novosti" newscast]

[Text] [Announcer] Sergey Stepashin, director of the Federal Counterintelligence Service, visited Kaluga and Obninsk today. This trip is directly connected with the visit to Moscow by Bernard Schmidbauer, German state minister. Sergey Stepashin was accompanied on his trip by our special correspondent Andrey Murtazin.

[Murtazin] As is known, the three days of talks on the problem of smuggling nuclear material resulted in the Russian-German memorandum in which the sides agreed to expand cooperation on this matter.

[Stepashin] Schmidbauer and I appeal to other countries, both those which have a nuclear potential and those which do not, to create international guarantees for the non-proliferation of nuclear weapons and a whole range of radioactive materials. It is not just a matter of plutonium, not just about the components of nuclear weapons, but of radioactive elements in general.

[Murtazin] After the recent incident in Munich, the Russian president ordered the setting up of a commission to monitor the non- proliferation of radioactive elements and nuclear weapons, and this commission is now headed by the director of Russian Counterintelligence.

In Obninsk Sergey Stepashin went to the Physics and Energy Institute where the world's first industrial nuclear reactor was put into operation 40 years ago. It is now closed down and its radioactive elements are under reliable guard. In order to reach the storage facility it is necessary to go through another three doors like this one. It is impossible to bring anything out of here unnoticed—the alarm system would sound immediately. Similar monitoring systems exist at all other Russian nuclear facilities.

The results of the expert study of the isotopes taken to Germany will be announced in six to eight weeks but Russian officials are already reaffirming that there is no leakage of radioactive materials from our enterprises and there has not been any.

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Political Issues

Yeltsin Signs Edict Establishing New Directorate

LD2408131094 Moscow ITAR-TASS World Service in Russian 1208 GMT 24 Aug 94

[By ITAR-TASS]

[Text] Moscow, 24 Aug—Russian President Boris Yeltsin has signed the edict "On the Russian Presidential Administration's Directorate for Interaction With Political Parties, Public Associations, Groupings, and Deputies of the Federal Assembly's Chambers," the Russian president's press service has announced.

Andrey Viktorovich Loginov has been appointed head of the directorate.

Following the creation of the new directorate, the department for interaction with parties and public associations and the department for interaction with deputies of the Federal Assembly's Federation Council and State Duma, which have worked within the presidential administration, have been abolished.

The directorate is being set up without increasing the number of personnel of the Russian presidential administration.

Gaydar: Only Yeltsin Can Unite Democrats

LD2408163494 Moscow INTERFAX in English 1415 GMT 24 Aug 94

[Text] Russia's former prime minister Yegor Gaydar stated that Boris Yeltsin is the only figure capable of uniting the democrats in 1996 presidential elections.

State Duma Deputy and leader of the recently registered Russia's Democratic Choice party, Yegor Gaydar believes that, as the most authoritative politician, Boris Yeltsin can draw the largest support at a time of falling ratings for Russian politicians and general disillusionment.

He told scientists in St.Petersburg on Tuesday that he perceives Yeltsin as the guarantor of the political struggle's democratic development.

The minimum task, said Gaydar, is to overcome radicalism and to bar dangerous extremists from power. If this task is not fulfilled Russia will be bogged in "bureaucratic stagnation" that will last for decades and, possibly, in authoritarianism and totalitarianism, although a rollback to socialism is impossible.

He emphasized that a decision to set up a new party had been prompted by the mistakes made during the parliamentary elections when the democrats revealed the tendency to split "in the absence of the danger of execution."

In his opinion, "amorphous and poorly-organized parties no longer fit in the election struggle." He said that by 1995 his new party, which incorporates many prominent members in the movements and associations he had mentioned, including the Democratic Choice of Russia, would be ready for the first round of "serious political battles." He also announced that his party's congress would make the final choice of who to forward as a candidate for president.

Fight Against 'Reactionaries' Still Not Over

MM2408105594 Moscow ROSSIYSKIYE VESTI in Russian 23 Aug 94 p 1

[Report by Pavel Anokhin: "Whole Truth Not Told About Putsch"]

[Text] A theoretical and practical conference organized by the Presidential Staff and entitled "Lessons of August 1991: The People and Power" was held 20 August in Moscow. State and public leaders and democratically oriented figures of science and culture gathered to analyze and examine what happened in the country in those August days three years ago and what has happened to Russian society since.

"It should be recognized that in the time between then and now the whole truth about the putsch has still not been told," Boris Yeltsin noted in a message to the conference's participants. "One attempt after another is being made to whitewash the participants in the putsch, to consign their sinister plans to oblivion. But we will not forget what they wanted to accomplish or what they were preparing to do.

"...We have lived through three difficult years. Much has been done on the road of reforms. But it must be acknowledged that the opportunities which opened up for Russia in August 1991 were by no means exploited to the full. The time has come for conclusions, for searching analysis of what we have managed and what we have not managed to achieve..."

This problem became the principal motif of the speeches of the conferences' participants. It was opened and chaired by Sergey Filatov, leader of the Presidential Staff. "Amid quarrels, amid difficulties, sometimes losing our our allies, we are nevertheless moving forward," he said, summing up the past three years. In his opinion, in order to complete what has been begun—economic state reforms, the democratization of life, observance of human rights—democrats should prepare for elections and attain a stable democratic majority in the representative organs of power. "We will do everything to ensure that the fall, winter, and spring are dedicated to this principal question," Sergey Filatov stressed. In this connection he called on the democratic forces to unite and "to avoid disagreements and personal vanity."

Major General Aleksandr Usov—father of the Vladimir Usov who was killed during the August revolt—was indignant at the termination of the SCSE [State Committee for the State of Emergency] trial, and literally

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stunned the hall by saying that "journalists are writing lies" about the causes of the deaths of the three boys. "All three were shot by small arms," he said. "No one knows the true picture about what happened."

As if taking up his accusation, Aleksey Venediktov, journalist with the Ekho Moskvy radio station, expressed the idea that the main lesson of August 1991—one that has not been grasped—is the attitude to the mass media. In his opinion, they are still dependent on the organs of state power, and do not have the opportunity to inform society objectively. By way of example he referred to ROSSIYSKAYA GAZETA, which in recent times has changed its general line three times.

Sergey Kovalev, the Russian Federation plenipotentiary for human rights, warned the country's leaders against "great-power vocabulary," which personally reminds him of the former communists' "Word to the People," with the publication of which they prepared the way for the SCSE. In the regions, in Kovalev's opinion, instead of the legitimate formation of self-government, "a tug-of-war is underway between the central bureaucracy and the local elites."

Many representatives of the radical wing of the democrats emphasized the threat—which still exists in Russia, in their opinion—of a return to totalitarianism and the establishment of fascism. "The most important thing is to thwart the national-communist forces' advent to power; the rest will come by itself"—this was how political scientist Yuriy Karyakin formulated his position.

The speakers touched on the theme of the crisis in Russian justice. "I cannot say that they have stolen the entire August victory from us, but they have stolen the people's right to justice," State Duma Deputy Boris Zolotukhin stated with regard to the results of the trial into the SCSE affair. "There was a scandalous investigation, then a shameful trial began." He believes that the trial should be continued, and the judges who meted out such rulings should be condemned by the entire judges' fraternity.

In answer to these proposals, Sergey Filatov stated that the candidacies of the members of the Russian Federation Supreme Court Military Collegium who halted the judicial trial into the "SCSE affair" following the declaration of an amnesty for the putschists by the State Duma "may not be presented by the Russian President to the Federation Council for approval as members of the Supreme Court."

Participants in the theoretical and practical conference reached the conclusion that the democratic forces' victory in August 1991 was not final, and that the democrats will have to do a great deal more to prevent a return to the old times and the victory of reactionary forces.

Government Adopts Decision on Dagestan Cholera

LD2408191594 Moscow Radio Rossii Network in Russian 1700 GMT 24 Aug 94

[Text] Additional measures to localize cholera are envisaged by a special decision of the Russian Government "on measures to eliminate cases of cholera in Dagestan." The document was issued by the government press center on Wednesday. It points out that stepping up health and epidemiological checks on transport at stations and airports in the present situation is essential.

It has been recommended that the Dagestan Council of Ministers not allow citizens to leave centers of the epidemic without preliminary medical certification. The decision also points out the need to provide individual water purification systems for the population in those places where central systems for disinfecting water are lacking. The decision proposes supplying additional medicines and means of disinfection to Dagestan and also sending specialists.

Economic Issues

Moscow Views Non-Payments Crisis

LD2408124194 Moscow INTERFAX in English 1100 GMT 24 Aug 94

[Text] At its meeting Wednesday, a Russian government commission considered a draft resolution defining the procedure for using promissory notes for payment for goods already delivered and services rendered.

Acting Finance Minister Sergey Dubinin told the meeting that the notes were designed to prevent the volume of non-payments from growing further and to strengthen financial discipline. He said the notes represent a legal means enabling enterprises to lay financial claims on other enterprises.

Dubinin pointed out that at the first stage the notes will be used to cover enterprises' current debts for goods already delivered rather than the entire volume of overdue debts for previous supplies. However, they will be eventually used to reimburse all the mutual debts of enterprises.

According to the draft resolution, the notes already printed by Goznak will be valid for up to 90 days.

On Friday, the draft resolution will be submitted for consideration by Russian Prime Minister Viktor Chernomyrdin.

Jan-Jul Economic Figures Analyzed

MM2408133594 Moscow ROSSIYSKAYA GAZETA in Russian 24 Aug 94 First Edition p 3

[Report by A. Yevgenyev: "Production Is Growing. Seemingly...."]

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[Text] For a long time yet in analyzing the State Committee for Statistics monthly summaries we will obviously have a bad word for the past January. It was then that the Russian economy slid downward as though on a steep icy path. And since then it has kept within approximately the same limits with small seasonal fluctuations.

In July the volume of production in industry in physical terms was 1 percent higher than the June level while the number of enterprises which had had stoppages was smaller than a month before. Nonetheless, the ditch into which industry has taken a dive proved too deep. Compared with January through July last year 24 percent of the volume of industrial production has been lost. Some 17 percent less gross domestic product was produced. It is indicative that its structure is changing increasingly markedly—there is an increase in the proportion of services and the proportion of construction and industry is declining. As a whole the situation traditionally is somewhat better in the extracting sectors (86.1 percent of the figure for January through July 1993) and worse in the processing sectors (70.3 percent). The slump in consumer goods production (by an average of 28 percent) cannot fail to sadden us. Here the production of nonfood consumer goods declined by as much as one third.

By mid-August virtually all regions of Russia had embarked on the grain harvest. Grain crops not counting corn had been cut from an area of 13.2 million hectares (27 percent of the sown area). Let us note that by this time last year grain had been cut from 19.6 million hectares (37 percent). In terms of its initial weight upon receipt 24.3 million tonnes of grain have been threshed—less than in previous years.

There is an increase in Russia's foreign trade turnover with countries of the far abroad. Exports over the year increased 11.2 percent and totalled $25.3 billion while imports also increased, but only by 5.8 percent, which as a whole ensured a positive balance in the country's foreign trade of $10.1 billion.

In January through July there were strikes at 394 enterprises in which 134,000 people took part. Half of all strikes took place in national education institutions and 42 percent took place at fuel industry enterprises. There is one reason—the delay in paying wages.

And finally about wages. In July they rose 8 percent and reached an average of 224,000 rubles a month.

Payments Crisis Seen Stemming From Slack Demand

MM2408121194 Moscow RABOCHAYA TRIBUNA in Russian 23 Aug 94 pp 1, 2

[Article by Vladimir Kokorin under the "Nonpayments Crisis" rubric: "The 'New Russians' Are Making a Profit While the Entire Country Is Declared Bankrupt"]

[Text] The press has already reported the preparation of a series of presidential edicts designed to solve the "reciprocal nonpayments crisis." It has to be said, however, that nonpayments are only partially reciprocal. There are a host of enterprises which cannot have debtors under any circumstances—at least not among other production collectives.

These include, without exception, all the plants and factories which produce finished goods, that is, foodstuffs, clothing, footwear, domestic appliances, weapons, and so forth. They can have debts to suppliers of raw materials, semimanufactures, and equipment, but not debtors, as they do not supply their goods to other enterprises.

The existence of such enterprises prevents nonpayments from being regarded solely as reciprocal. The problem of nonpayments is not created by reciprocal debts, while reciprocal debts are merely a consequence of nonreciprocal debts.

If all debts were reciprocal, that is, every enterprise (with few exceptions) had not only debts but debtors too, the nonpayments problem would be a purely accounting problem rather than an economic one and would not present undue difficulty.

To resolve it it would be enough, say, to effect reciprocal payment by bill of exchange, the results of which would make clear who is working well and who badly. Enterprises working well would have only debtors, while enterprises working badly would have only debts. Here the overall debt equation would amount to zero.

That is how it would be if enterprises supplied only one another. But in that case production would operate only for itself, which would, of course, be completely pointless.

To ascertain the causes of the nonpayments crisis it is necessary to divide enterprises into two groups. Some enterprises produce intermediate goods, others finished goods. Nonpayments start with enterprises belonging to the second group. It is here indeed that the problem of nonpayments as an economic rather than simply an accounting problem arises. If enterprises in the second group are unable to sell their goods or pay the suppliers of raw materials, semimanufactures, and equipment, nonpayments spread to enterprises of the first group, encompassing thereby all production, which we are now observing for the third year in a row.

How, then, are the nonpayments of producers of finished goods to be explained? Let's not cite the trade network. Trade is merely an intermediate link. The causes lie deeper, and there are many of them, including, of course, imports.

But the most important cause, nevertheless, is inadequate incomes and demand on the part of the basic purchasers—the state and the population. Or, to be more precise, that part of the population that exerts a demand

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in the mass market. People with large incomes don't belong here: They do not sustain domestic manufacturing as either investors or consumers. The liberalization of prices and the unprecedented import-export freedom for a country which is not officially recognized as a colony have produced a dramatic impoverishment of the population. Were the profit from rising prices to accrue to the state, we would now have the healthiest budget in the world.

The state, however, has not grown rich.

And now the officials of this bankrupt state intend to enact the Law "On Bankruptcy..." passed by the Supreme Soviet two years ago, they intend to make enterprises pay for the insolvency of their basic consumers—the state and the population. How can you seriously consider the compulsory sale of enterprises for debts if they are essentially the debts of the state and the population, only not legally formalized? Incidentally, sometimes they are formalized, as, for example, in the case of the state order for the production of armaments.

The Law "On Bankruptcy..." is not applicable in conditions where effective demand is below the norm, as in such a situation any enterprise working efficiently could become bankrupt. If wages only suffice for foodstuffs, any enterprise manufacturing clothing, footwear, and particularly refrigerators and televisions will end up bankrupt. Consumers who are poor or badly off cannot determine which enterprises should be kept, which reorganized, and which wound up altogether.

The nonpayments crisis is the Russian version of the crisis of overproduction and sales typical of the market economy. And this can only be resolved in two ways: Either by cutting back production to the level of effective demand or restoring incomes and demand to the level of production.

Subsidies Let Foreign Dairy Farmers Undercut Prices

MM2408154994 Moscow IZVESTIYA in Russian 24 Aug 94 p 9

[Report by Professor David Shavishvili, doctor of economic sciences: "Why the Price of Dairy Products in Russia Has Gone Beyond World Level"—from the EKSPERTIZA section]

[Text] Enterprises' retail prices for animal fats are now 2,700-5,000 rubles [R] per kg, for canned milk—between R600 and 800 for a 400g can, for dried whole milk—between R1,700 and 2,500 per kg, and for infant formula—between R2,800 and 3,600 per kg.

But imported dairy products can be purchased for lower prices. Even taking into account the introduction of a customs tax (15 percent) as of July of this year, the price of butter that has been bought in will be no more than $1.3 per kg, and children's products—$1.2 per kg.

Even government structures give preference to imported output in stocking up dairy products for federal needs. According to available figures, this year only 2,000 tonnes of domestic butter has been bought for storage purposes (in 1991 the figure was up to 200,000 tonnes) and around 80 million standard cans of canned milk (as compared with 350 million standard cans in 1991). The reason is that the storehouses contain imported butter and other goods bought last year.

According to figures from the Russian Federation Ministry of Agriculture, over 12,000 tonnes of dried milk products have now accumulated at the stores of enterprises in the canned milk industry alone, and up to 100,000 tonnes of animal fats have accumulated at dairies.

Despite the general trend toward a reduction in volumes of production, a most serious situation has taken shape in the sale of dairy products. In the period 1991-1993 alone production of dried milk products fell by 22 percent, canned milk by 11 percent, infant formula by two-thirds, and animal fats by 25 percent. But even these volumes are not ensured guaranteed sales. Before the industry transferred to market conditions all this output was in heightened demand and did not hang around on store shelves. But because of the sharply increased prices, the population's purchasing power has fallen.

The price rises on dairy products are directly connected with the constantly rising prices of milk and ingredients being procured. In various regions of the country, milk prices vacillate from R130 per kg to R230 per kg.

These prices do not always reflect the true expenditure on production, since farm chiefs still record the losses of the whole farm as dairy stockraising losses in accordance with the old tradition.

The processing enterprises which are experiencing difficulties in selling finished output and a shortage of funds of their own for settling accounts with milk suppliers, are often being forced to take out credits and bear the additional expenditure involved in paying interest. In the cost structure of dairy products at individual plants, the relative proportion of the expenditure involved in paying the interest for the use of bank credit is up to 20 percent. As a result, at present the level of the prices of canned milk, dried milk products, including those for infants, and animal fats has already reached or exceeded world prices.

An exchange of opinions with leading experts from OECD countries has shown that even in developed countries state aid to milk producers approaches 65 percent of the overall cost of dairy products, which is 1.5 times more than the average aid given to other sectors of agricultural production.

And in Russia, the adoption of an analogous decision would help lower the rate at which the price of dairy output is being artifically increased, and stimulate its production.

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Military & Nuclear Issues

Theft of Raw Uranium Foiled at Nuclear Center

LD2408174794 Moscow INTERFAX in English 1706 GMT 24 Aug 94

[Text] Two persons tried to steal raw uranium which could not be used in weapons, without special processing from the Russian Federal Nuclear Center in Arzamas-16, Nizhny Novgorod Region, according to an official at the Russian Nuclear Energy Ministry.

The Deputy police chief of the town Mikhail Yeryomin confirmed that this was an attempt to steal natural uranium. He said the two persons who did not work for the nuclear center tried to get away with 9.5 kilos of uranium in order to subsequently sell it.

The culprits have been charged under Article 223/2 of the Russian Criminal Code with unlawful acquisition, possession, use, surrender and destruction of radioactive materials. The maximum punishment is five years of imprisonment.

Yeryomin said the two culprits are no longer in custody but were released on a written pledge not to leave the town. According to Yeryomin, this is not the first time such a theft had been attempted. One was foiled in 1993, another one this very year.

Yeryomin said in the other cases "law-enforcement bodies also discovered insignificant quantities of uranium, as in this case." "This is our routine work," the police official said.

Details on Identity of Thieves

LD2408142094 Moscow Mayak Radio Network in Russian 1315 GMT 24 Aug 94

[Text] Mayak correspondent Anatoliy Fedorov reported that the department of the Russian Interior Ministry responsible for guarding special facilities, including nuclear facilities, was involved in the operation to detain two criminals found with uranium from the Arzamas-16 works.

He gave the following details about the detainees and their crime:

[Begin Fedorov recording] Their names are now known—a certain Demenyankin, born 1961, president of the Aleks joint stock company; and the second man, born in 1962, was a certain Vasin. He really was unemployed. And they found these riches—and they are great riches since one gram of uranium is worth anything from one million dollars upwards on the open market—they found these riches in a garage, a private garage. Another detail I would like to tell the Mayak listeners—these boys' parents were directly involved in the production of uranium-238. In any case, an investigation is now under way. [end recording]

'Hybrid' Reactor Could Use Stockpiled Uranium, Plutonium

MM2408112594 Moscow RABOCHAYA TRIBUNA in Russian 24 Aug 94 p 2

[ITAR-TASS report: "This Safe Nuclear Reactor...."]

[Text] It seems that the Russian nuclear power industry will shortly be receiving a safe reactor for nuclear electric power stations. The new version has been proposed by Russia's scientists. Academician Nikolay Basov, the scientific leader of the studies and Nobel Prize winner, said that the "new reactor is called a hybrid since it combines nuclear and thermonuclear subsystems. Time has forced us to use this 'combination' in our work. Russia has now amassed a large quantity of uranium and plutonium as a result of disarmament and the declining studies in the sphere of the nuclear power program. They can be used successfully in the new reactor."

A laser in the new reactor will act as a source of high-intensity neutrons.

The results of experiments carried out by scientists are in the hybrid nuclear-thermonuclear reactor's favor.

New Posts Rumored for Burlakov, Lebed, Grachev

MM2408170194 Moscow ROSSIYSKIYE VESTI in Russian 25 Aug 94 First Edition p 1

[Report by Sergey Ovsiyenko: "Will There Be Surprise Cadre Changes in the Army?"]

[Text] This September will seemingly be a month of serious cadre changes in the top echelons of the Russian Army. The Western Group of Forces is coming home from Germany and it contains quite a few generals who need to be found jobs. The name of Colonel General Matvey Burlakov, commander in chief of the Western Group of Forces, who has accounted for the second group of forces to be withdrawn from Europe to the homeland, will doubtless come up first and foremost. Not so long ago, he was being predicted for the post of chief of the General Staff, but it has become known from unofficial sources that the Defense Ministry collegium opposed this appointment for some reason or other. Although it is hard to understand this step on the part of members of the Defense Ministry collegium, some of whom have recently paid active visits to the hospitable Western Group of Forces.

It is also known that Defense Minister Army General Pavel Grachev intends to ask the president to appoint the commander in chief of the Western Group of Forces as his deputy.

According to reports from unofficial sources, General Burlakov might be appointed commander of the Moscow Military District, currently one of the key districts in the army. Particularly since there has been talk about the "departure" of the present Moscow Military District commander since fall of 1993.

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The next place of work for the commander in chief of the Western Group of Forces could be the President's Staff. Given his experience and recent post, Colonel General M. Burlakov could become something like a military adviser.

There is reason to suppose that a new appointment is awaiting the maverick 14th Army commander, Lieutenant General Aleksandr Lebed, in September. This conclusion can be drawn indirectly from a statement made by General V. Kosarev, chief of Defense Ministry Information and Press Directorate, who does not consider it possible to make any statement about this subject before a decision on the transfer of the army commander is made. However, there are persistent reports that he will be appointed commander of the Russian peacekeeping forces in Tajikistan. The offer made to A. Lebed last Monday in Moscow that he become Tajikistan defense minister also inclines one to believe that country could be the maverick general's new place of service. Having refused the offer, the general intends to fly out to Sochi, where the Russian president is on vacation.

And most importantly political scientists and journalists are not ruling out the possibility that even the defense minister may be replaced. The current commander in chief of the border troops, Colonel General Andrey Nikolayev, who has been able to create a picture of himself in the mass media as an intellectual general and a politician, is being named as a likely candidate for this post. According to the latest poll in NEZAVISIMAYA GAZETA, his rating has gone up 30 points, almost reaching A. Solzhenitsyn.

Of course, this can be assessed as rumor, but, as we know, there is no smoke without a fire. Behind all this you can trace a behind-the-scenes struggle between political forces which have become active following the summer recess.

Armed Forces Accuses Media of Distortion

LD2408180094 Moscow INTERFAX in English 1625 GMT 24 Aug 94

[Text] The Russian Defense Ministry accused the Russian media of covering the problems faced by the armed forces for its own ends and of attempts to entangle the army in political infighting. "This is as dangerous for the armed forces as it is for society," says the statement by the Defense Ministry's Information and Press Department passed to Interfax on Wednesday.

The document criticizes the media for giving a distorted picture of the army and naval commanders, above all Defense Minister Pavel Grachev.

It also refutes the idea that the armed forces increasingly pose a threat to the people, that discontent in the army has reached the breaking point, and that a breakdown in command threatens to spawn new coups.

The document also rejects as unconfirmed the allegations that the top military command is seeped in corruption.

Many news items blow out of all proportion disagreements supposedly existing between the president, the supreme commander, and the defense minister as well as between the defense minister and his deputies, and between the leaders of other bodies of power.

By putting a special accent on negative phenomena in the armed forces and in the navy, and by assailing military reform, certain members of the media are deliberately distracting Russian citizens' attention from the real causes of the problems facing the armed forces: a difficult socio-political and economic situation, a shortage of finances and the heavy burden of problems inherited from the past, says the statement.

Text of Defense Ministry Statement

MM2408182594 Moscow KRASNAYA ZVEZDA in Russian 25 Aug 94 p 1

[Statement by the Russian Federation Ministry of Defense Information and Press Directorate: "The Army Should Not Be the Object of Political Speculation"]

[Text] A wave of critical articles about the situation in the Armed Forces and mutual relations in the top military leadership has recently been swelling in certain Russian mass media. These are frequently accompanied by tendentious conclusions and predictions, and the Russian public gets a distorted idea of the position and actions of the Army and Navy, and primarily of Army General P.S. Grachev, Russian Federation minister of defense. Furthermore, a number of publications actively express the idea that the Russian Armed Forces are becoming increasingly dangerous to their own people every day, and that the Army is in an "explosive state," is getting out of control, and is harboring the threat of new putsches and coups.

Completely unconfirmed reports about alleged corruption in the country's top military circles are circulating time and again. Materials about the activity of units of the Russian Army in a number of regions in the near abroad are frequently set in that tone, and attempts are made to present the Army as an autonomous political force which furthers the whipping up of interethnic and internal political conflicts, and as a factor of instability in the "trouble spots" of the former USSR.

In many articles, alleged differences between the president—the supreme commander in chief—and the minister of defense, and between the minister of defense and his deputies, as well as the leaders of other "power" structures, are artificially blown up.

By placing special emphasis on negative phenomena in the troops and fleets and subjecting the process of military reform to unending and frequently groundless

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criticism, individual mass media deliberately divert Russians from the true reasons for the difficult position of the Armed Forces, which has developed as a result of the complex sociopolitical and economic situation in the country, the intolerably low level of funding for the needs of the Army and Navy, and the enormous burden of unresolved problems which we have inherited from the past.

The Ministry of Defense believes that, in these conditions, speculation over the Army's difficulties and provocative attempts to draw it into internal political conflicts and court games are dangerous both for the Armed Forces and for society.

The problems of the Armed Forces should not be a reason for whipping up political passions in society. The Army has been and remains a guarantor of the stability of society and the country as a whole.

Denial of Rumored Arms Supplies to Chechens

MM2408174394 Moscow KRASNAYA ZVEZDA in Russian 25 Aug 94 p 1

["Own Information" report: "Russian Army Is Not Arming Opposition in Chechnya"]

[Text] All kinds of conjectures to the effect that the Russian Armed Forces are apparently supplying combat equipment, arms, kit, and ammunition to the opposition groups in Chechnya have recently been appearing increasingly often in the mass media. These rumors, like the stories previously put forward to the effect that preparations are being made to bring units of the Russian Army into Chechnya, are unfounded.

It appears necessary to stress once again: There are no units or subunits of the Russian Armed Forces on the territory of Chechnya. The Russian Federation Ministry of Defense has not supplied, is not supplying, and does not intend to supply Chechen opposition groups with weapons and combat equipment. The Russian Ministry of Defense is not preparing any "strong-arm" solution to the political crisis in Chechnya. Any conjectures and provocative rumors on this subject only exacerbate the situation in this explosive region. A successful solution to the problems of the North Caucasus is only possible through civilized political methods, by peaceful constitutional means.

Chernomyrdin To Investigate Defense Ministry

MK2408113094 Moscow SEGODNYA in Russian 24 Aug 94 p 1

[Report by Stepan Stepanov under the "Corruption" rubric: "Chernomyrdin Promises To Eradicate Graft at the Defense Ministry. Investigation into the Military's Financial Affairs To Continue"]

[Text] As has become known from well informed sources, Prime Minister Chernomyrdin has promised to eradicate wide-spread embezzlement and corruption at the Russian Defense Ministry.

There have long been suspicions in government circles that some of the money appropriated to the defense ministry is being diverted. Recently, the situation has become particularly tense. The military asked for 87 trillion, but was given just 40 trillion rubles. This coming fall, all budget expenditures may be trimmed even further so as to find money to finance pension indexation. Generals (for instance, Aleksandr Lebed) are predicting disturbances in the army, but the prime minister reportedly expects to find large extra funds in the already drawn up defense budget once order is brought to army finances.

There have been press reports about corruption in the army, particularly in the Western Group of Forces. But this is presumably the tip of the iceberg. The Main Administration of Military Budget and Financing [MAMBF] has been fingered as the main source of numerous financial irregularities in the Armed Forces.

Colonel General Vasiliy Vorobyev, MAMBF chief, has been publicly complaining for a second year now that money appropriated for defense purposes somehow "gets lost" in commercial banks and businesses while being transferred from the Finance Ministry to military units. Subsequently, the money tends to be "found," but the search may take up to a year. People in Viktor Chernomyrdin's entourage think that some at the Defense Ministry have found an utterly simple way to embezzle government money—a part of the trillion-ruble sums of state defense expenditures are temporarily invested in commercial financial companies. It is such operations that explain the "incomprehensible" delays in the transfer of payments.

As a result, both the Armed Forces and the Defense Ministry's suppliers suffer considerable financial losses, the crisis of non- payments is getting increasingly acute, and the government is facing stepped up pressure to increase the defense budget. At the same time, corruption and moral degradation are rampant among the top brass.

In June-July, a comprehensive audit was undertaken at the Defense Ministry. The commission was headed by Foat Dinov, deputy chief of the Finance Ministry's Control and Audit Administration. The commission found its victim when it exposed financial irregularities in the Main Administration for International Military Cooperation (former 10th Main Administration of the General Staff). Frants Markovskiy, chief of the "10th Main," was immediately fired by Defense Minister Pavel Grachev.

But the activities of the MAMBF, and Vasiliy Vorobyev personally, were recognized as "generally fulfilling the established requirements." It has been reported that during the 40-day audit, which included trips to military

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districts (the Geysers' Valley in Kamchatka and other exotic places), Foat Dinov and General Vorobyev became good friends.

Premier Chernomyrdin does not make any bones about the fact that he considers the report submitted by the commission utterly insufficient. "I will not count the audit," the premier reportedly said. (Actually, Viktor Stepanovich used different, explicitly profane language to describe Foat Dinov's actions). Another, more thorough audit of the Defense Ministry will soon be launched.

At the same time, the financial scandal at the Defense Ministry might prove to be more serious than all the goings-on over Generals Aleksandr Lebed and Matvey Burlakov. The Armed Forces's main financier, General Vorobyev, has repeatedly boasted among his cronies that he could easily solve any problem with General Pavel Grachev, and, however strange it might seem, he usually proved correct. Premier Chernomyrdin has staked his political future on the policy of containing inflation and the budget deficit. So, he has a clear political objective when he authorizes an investigation into large-scale corruption in the Armed Forces. As a result, a vortex might emerge into which lots of high-ranking generals might be dragged.

Regional Affairs

Duma Faction Rules Out Federal Intervention in Chechnya

LD2408133194 Moscow ITAR-TASS in English 1321 GMT 24 Aug 94

[By ITAR-TASS diplomatic correspondent Ivan Novikov]

[Text] Moscow August 24 TASS—The Russia's Choice faction in the Russian State Duma rules out any intervention in the Chechen conflict by the federal authorities, faction deputy leader Boris Zolotukhin said.

In an interview with ITAR-TASS on Wednesday, Zolotukhin said that he is "convinced that the Russian Armed Forces should not take part in settling this internal dispute."

"The ruling Chechen regime is provoking confrontation, but I think that Dudayev is playing a political game, trying to win over the public. And as always they are looking for a foe elsewhere," he said.

"I consider Dudayev's public statements as sheer political speculation. Whipping up anti-Russian hysteria serves his purpose of consolidating his forces against the so-called 'common enemy'," Zolotukhin added.

He believes the only way to resolve the Chechen crisis is to hold free elections. "Chechnya is facing a crisis of power, a crisis of public trust in the existing system of power," he said.

Zolotukhin believes that the final say in this situation belongs to the people who will have to decide the future of their republic.

Planned 25 Aug Rally in Groznyy Previewed

MK2508091894 Moscow NEZAVISIMAYA GAZETA in Russian 25 Aug 94 p 1

[Report by Natalya Pachegina under the "Chechen Republic" rubric: "Opposition Threatens to Bring its Troops to Groznyy"]

[Excerpt] [passages omitted] The rally slated to take place on 25 August with Ruslan Khasbulatov's participation does not, in all likelihood, appear innocuous to the authorities. While not voicing his intentions to call off the gathering on the city's central square, the man who had the idea for it kept silent the day before. He made another attempt to contact the president of Chechnya through the elders. The latter passed on to the president's brother Bekmurza, the demands of the opposition, one of which calls for Dudayev's voluntary resignation. Remarkably, the opposition is not hoping for a positive answer. The part of them based in the republic's Nadterechnyy Rayon intend to support Khasbulatov in his persistence. Should the authorities deny Khasbulatov a chance speak at the rally, the opposition is ready to enter the capital in three combat columns and hold meetings of their supporters, even if only on the city's outskirts. The venue chosen in advance is Staraya Sunzha, a Groznyy suburb. Masses of people will start pouring in there to avoid provocations from pro-Dudayev forces, it was said in the press center of the opposition's Provisional Council. By noon—the moment the rally begins—the opposition will be ready to protect those who will speak out against Dudayev. The number of people in the columns threatening Groznyy, they think in the capital, is in direct proportion to the Russian military contingent moved to Nadterechnyy Rayon to help the opposition. Groznyy officials are convinced: in the situation taking shape today, those same 200 to 300 thousand Russians who live in Chechnya and 12 million Russians of the Northern Caucasus will become victims of an internecine war being unleashed by Russia.

The head of the Chechen Republic department for the affairs of the press and information has denied the Russian mass media report on Sultan Geliskhanov, the chief of Chechnya's national security service, siding with the opponents of the president. NEZAVISIMAYA GAZETA called Geliskhanov one of those most loyal to Dudayev. The rumors of his betrayal, Groznyy officials think, are being spread by the opposition which, they are convinced here, are closely linked with mafia-like structures of the republic and the federation, whereas Geliskhanov is known in his country as a consistent fighter against the criminal world.

From Moscow, the head of the "government of people's trust" Yaragi Mamodayev is proposing his own way to

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end the crisis Chechnya finds itself in. Opposing the institution of the presidency generally, and thinking it contradicts the "long-lasting traditions of the Chechen people," Mamodayev insists on calling a congress of representatives of the teyps (clans). This representative organ, Mamodayev suggests, can elaborate the "main principles of national accord and suggest a concrete mechanism of reaching it." The former Chechen prime minister sees [future] relations with Russia to be similar to those of the parent state [Russia] with Tataria [Tatarstan], and Bashkiria [Bashkortostan].

Chechen Opposition Leader Purchases Military Vehicles

LD2408193594 Moscow NTV in Russian 1800 GMT 24 Aug 94

[Text] I bought 10 armored vehicles and several dozen military trucks for myself, and the allegations that Russian military have supplied the Chechen Interim Council with a lot of military equipment and arms do not correspond to reality, Umar Avturkhanov, chairman of the Chechen Interim Council told POSTFACTUM. Avturkhanov was unwilling to disclose sources of his military purchases and said that he could easily afford to buy a submarine.

Caucasian Confederation Backs Chechen Independence

LD2408134794 Moscow ITAR-TASS in English 1328 GMT 24 Aug 94

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy August 24 TASS—"The Confederation of Caucasian Peoples resolutely backs the desire of the Chechen republic for freedom and independence. It will do its utmost to help it achieve this goal," member of the parliament of the Confederation of Caucasian Peoples Khadzhimurad Ibragim-Beili told a press conference here today. It was devoted to the results of the session of the parliament of the Confederation of Caucasian Peoples, which ended here a short while ago.

The session's addresses to the United Nations, the peoples of the Chechen Republic, the presidents of the Chechen Republic and Russia, and its other documents say that only the joint efforts of all the peoples can now prevent a second Caucasian war. The Confederation of Caucasian Peoples believes that protest actions should be arranged in all the regions of the northern Caucasus against Russia's policy vis-a-vis the sovereign and independent Chechen state.

Dudayev, Cossack Ataman Sign Cooperation Accord

LD2408124894 Moscow ITAR-TASS World Service in Russian 1219 GMT 24 Aug 94

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy, 24 Aug—Chechnya's President Dzhokhar Dudayev and the Nikolay Kozitsyn, ataman of the great troops of the Don, have signed a friendship and cooperation treaty in Groznyy between the Chechen Republic and the Don cossacks. The document, comprising 26 articles, deals with political, economic and ecological problems, the social sphere, and matters connected with the joint battle against crime.

Dzhokhar Dudayev and Nikolay Kozitsyn, who spoke before signing the treaty, expressed confidence that this document will form a reliable basis for mutual understanding, mutual aid, and for all of the peoples of the North Caucasian region to live together peacefully.

Further on Friendship Treaty

LD2408210794 Moscow INTERFAX in English 1823 GMT 24 Aug 94

[Text] Chechen and Don Cossack officials signed a Friendship and Cooperation Treaty between the All-Great Don Army and the Republic of Ichkeria [Chechnya] in Groznyy Wednesday. President Dzhokhar Dudayev signed for Chechnya.

The treaty calls for cooperation in various spheres, in particular security and joint defense in the case of aggression against one of the parties.

Officials in Dudayev's headquarters told Interfax that the two sides had discussed withdrawal of Russian troops from the Northern Caucasus.

The Don Cossack representatives told a rally of Dudayev's supporters in Groznyy that the mountain people and Cossacks have nothing to quarrel about and must jointly oppose attempts to turn them against one another.

The organizers of the rally, declared to be ongoing, report about 100,000 in attendance on Wednesday.

Chechen Opposition Group Attacks Village Near Grozny

LD2408210694 Moscow INTERFAX in English 1913 GMT 24 Aug 94

[Text] On Wednesday an armed group of the Chechen opposition led by Beslan Gantamirov attacked the community of Alkhan-Yurt, 25 kilometers outside of Grozny. According to official sources in Grozny, two attackers were wounded.

Meanwhile, the Chechen Interior Ministry has not ruled out the possibility that opposition militants will try to enter the capital on Wednesday night to join a rally due on Friday in one of the suburbs. To prevent this, checkpoints at the approaches to the city have been reinforced with heavy guns and armored vehicles.

Yeltsin, Dudayev Ambitions Fuel Chechen Crisis

MM2408151194 Moscow SOVETSKAYA ROSSIYA in Russian 23 Aug 94 p 2

[Report from Chechnya by Zhanna Kasyanenko: "Home Patrol"]

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[Text] Groznyy, Nadterechnyy Rayon—If you were to ask me who today is the real leader in the Chechen Republic, I would have difficulty in answering. Officially, of course, it is the president. In reality, it seems, it is Ruslan Labazanov. "My little bandit," as Dzhokhar Dudayev once called him. Labazanov issues special permits to his people, thanks to which these people become inviolable on the territory of Chechnya. Obviously, Dudayev does not have such a permit....

The sympathies of the man in the street lean increasingly toward Ruslan Khasbulatov. The inhabitants of Nadterechnyy Rayon have turned wholeheartedly to Moscow and Umar Avaturkhanov. I want to stress in particular that these are ordinary people, worn out by instability, unemployment, the military threat. I managed to chat with a lot of them. And with tears in their eyes they spoke of how, for the first time in six months, they had received their wages and pensions thanks to Moscow having undertaken to finance the Interim Council, bypassing the Groznyy Central Bank.

In the presidential palace I was presented with convincing facts backing up the idea that Yeltsin's regime benefits from having a constantly crackling hotbed of tension on Russia's border. It distracts Russian people from solving the inherent domestic problems, it creates an image of the enemy, it opens the way to blame every one of their ills not on the actual culprits, but on "persons of Caucasian nationality" and the Chechen mafia. Dzhokhar Dudayev says: "The present-day policy of the Russian leadership is based on three axes—namely, blindly following the lead of the West, observing the interests of the corrupt upper echelons of the Kremlin clique, and manipulating public opinion. Russia, as a world power, has long since ceased to play any kind of significant role in international affairs, and it is acting primarily in the capacity of an eastern makeweight for Western policy.... Things are no better with the Russian Federation's domestic political course, which, until recently, was drawn up by the not unknown S. Shakhray.... The Chechen side cannot share such stances, the Chechen side has no right to place its people in an abyss of these types of experiments, false theories, and adventurism."

In the light of what has been said, the fact that opposition organizations and parties in Russia are initiating contact with Dudayev appears wholly natural. General Sterligov and Socialist Party of Working People Cochairman Denisov spent some time in Groznyy. The "Joint Statement of the Russian National Assembly and National Movement of the Chechen Republic of Ichkeria" and the joint "Statement by the Veinakh Democratic Party and the Russian Socialist Party of Working People" were signed by them. The documents state that a Russian-Caucasus war is being kindled by anti-national forces and proposes the method of people's diplomacy and a political settlement of the situation as the only way out of the situation.

All this arouses genuine understanding. Neither Russian, nor Chechen, or any other mothers the world over need for their sons to perish in wars. Let calm reign in our land! It is a noble idea. But for me, the naivety and starry-eyed idealism of public figures on both sides give rise to the dim melancholy which you always experience on encountering the Don Quixote syndrome.

Let us cast our mind back to the wave upon which the previously little known general of the Soviet Army Dzhokhar Dudayev became a hero of Chechnya in 1991. It is October 1991: In Groznyy, a weighty opposition rally is under way. At this point, Dudayev is inclined toward entering into talks. Suddenly, like a bolt from the blue, or, more precisely, like manna from heaven, an edict came down to him from Moscow on introducing a state of emergency. At this time, sizable Soviet Army forces are still in place on the republic's territory. Moscow makes no move to deploy them in support of the state of emergency regime, and they somehow move aside from events. But on the other hand, there are lofty proclamations about an airborne assault. When he lands at Khan-Kala Airport with the paratroopers he is simply blockaded. This provides Dudayev with every reason to talk about a national threat. Anti-Russia hysteria begins in the republic. There is a series of escapes from prisons, an attack on military units, and aircraft fly out. The Army departs, leaving weaponry behind. The edict on the state of emergency bursts like a soap bubble. And it raises Dudayev—the champion of Chechen liberation—to an unassailable height....

The policy of official Moscow and official Groznyy in respect of each other coincides. While the mass media in Moscow are molding an image of the Chechen, the enemy of the Russians, and while, on Russia's southern extremes and, indeed, in the capital too, document checks and, at times, gratuitous militia raids based on no legal grounds are being organized against "persons of Caucasian nationality," people in Groznyy are being watchful too. The newspapers, radio, and television are earnestly spreading hatred for Russia, and Russian people are subjected to real terror. Some Chechens themselves told me how easy it is to solve the housing problem in Groznyy. If an apartment is occupied by Russians, they are simply thrown onto the street, alive if they're lucky—can you deny this, Dzhokhar Musayevich? And can it really be that in the eastern regions of Rostov Oblast entire families of Chechen shepherds were ousted from long-occupied areas by the Cossacks? They were ousted—did you not know about this, Boris Nikolayevich?

Everybody on both sides knew. But this confrontation is beneficial to both sides, because without it the presidents would not keep their seats. And how, for instance, is it possible to explain to Chechens driven out of Rostov Oblast by a specific section of the Don Cossack fraternity, that N. Kozitsin, the oblast ataman of the Don Host, was in touch with Dudayev in Groznyy and even brought to the Grand Assembly [Bolshoy Krug] in

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Novocherkassk just 20 August an appeal to the Cossack fraternity directed against official Moscow. Maybe Dzhokhar Musayevich did not know that just three days previously, during a visit by Yeltsin to Rostov, the very same Kozitsin had cried out loud: "Way to go, Boris Nikolayevich!"

No, the problem, of course, is not one of an information blockade of the presidents. The fact is that they form contacts with anybody who helps to keep them in power.

...A strange wave of robberies and attacks on local Chechen shepherds swept through Stavropol, which borders on Nadterechnyy Rayon, recently. People describe how they saw two vehicles, a covered truck and a white "Niva." Wherever they appeared, these excesses were carried out. Their crews included Russians and Chechens. Not long ago, supposedly at their hands, a Chechen youth died in the village of Beno-Yurt. The investigator in Nadterechnyy Rayon holds the theory that he was murdered because he identified one of the aggressors. The rayon leaders managed to negotiate joint efforts to impose order with the Stavropol Administration and the kray Cossack fraternity. The jinni was kept in its bottle. So, does this mean it can be done? Does it mean that we are not enemies, and we can find a common language?

Ruslan Khasbulatov devoted his visit to the homeland to peacemaking activity. But, of course, it was less than a warm homecoming.

Last Thursday, there was a rally in the village of Urus-Martan—the kind which Khasbulatov, who some people here have declared persona non grata, is always staging in his republic. The Groznyy authorities tried to disrupt the rally. On the night of Wednesday through Thursday, armored vehicles and an OMON [Special-Purpose Militia Detachment] subunit entered the village. But the inhabitants of Urus-Martan turned them away. The rally, attended by almost half of the village, lasted five hours. Ruslan Imranovich told people that the most important thing today is to maintain peace in the republic and to prevent bloodshed. He rejected current rumors about his appointment as head of the Interim Council Government, as well as the even more unlikely rumor that Ruslan Labazanov has been appointed defense minister by him. Which defense and which government, nobody is sure. But the rumor was put about and ardently discussed among the masses.

...All these games appear completely crazy here, in the village, where Khasbulatov now lives. On the overgrown, grass-covered street children play with huge, shaggy dogs, old people get up from their benches to acknowledge a newcomer, the women are at home toiling over hot stoves.... At Khasbulatov's home, local volunteers are on guard. And everything is as it should be: the children play, the old people relax, the women prepare the food, and the men protect their friends.

It would be nice if every politician had just such a village in his life.

Bus Hijacker Arrested, Hostages Freed in Bashkiria

LD2408142394 Moscow ITAR-TASS World Service in Russian 1347 GMT 24 Aug 94

[By ITAR-TASS correspondent]

[Text] Ufa, 24 Aug—The bandit who seized a bus with hostages in Bashkiria today has been arrested.

This happened near Ufa, when the bus was refueling. The criminal managed to fire an automatic rifle and wounded an OMON [Special Purpose Militia Detachment] member.

The hostages have been freed, and the criminal and his woman accomplice have been arrested.

Ingushetia Says No. Ossetia Delays Return of Refugees

MK2508102094 Moscow SEGODNYA in Russian 25 Aug 94 p 3

[Natalya Gorodetskaya report in the "Caucasus" column: "The Schedule for the Return of Ingush Refugees Is Being Disrupted. The Ingushetian Parliament Has Accused the North Ossetian Leadership of Violating the Constitution"]

[Excerpts] The return of Ingush refugees to Prigorodnyy Rayon of North Ossetia is again being delayed. As is known, in his May edict Russian President Boris Yeltsin set the date for the return before 1 December 1994: first to the village of Chermen, and then to Dachnoye, Kurtat, and Dangaron. At the time North Ossetian President Akhsarbek Galazov stated that the term was unrealistic because first the ruined houses and the infrastructure had to be restored. The Russian government allocated funds for restoration work, various commissions were set up, and construction organizations assigned for the effort. However work is proceeding extremely slowly and, as usual, there is a shortage of money. [passage omitted]

The Ingushetia parliament has reacted rather sharply. "Disregard by Federal components for the constitution and laws of Russia is a path toward the country's disintegration," says an appeal to the Russian Federation president, the head of government and the Federal Assembly. Ingush deputies demanded that officials guilty of failing to implement Boris Yeltsin's edicts on the return of deported Ingush to their homes be called to account. The Ingushetian parliament regards the North Ossetian leadership to be the most guilty—not only of ignoring the decisions of federal power bodies but also "launching a campaign to discredit these decisions."

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But apparently the main point of the appeal is the demand that conciliation commissions dealing with problems related to the return of refugees necessarily include "persons of the Ingush nationality," who even now constitute a majority in Prigorodnyy Rayon of Northern Ossetia.

At last yet another commission was set up to facilitate the return of refugees. During their meeting in Vladikavkaz Vladimir Lozovoy [head of the Provisional Administration] and North Ossetia President Akhsarbek Galazov decided that this commission should include representatives of all sides concerned: Ingushetia, North Ossetia, the provisional administration, and corresponding Russian departments. Furthermore, Akhsarbek Galazov announced a contest, "Goodneiborliness" [Dobrososedstvo], for the best article, TV or radio program which would propose the most acceptable way to address the problem.

On 27 August the socio-political situation in Ingushetia and around it will be discussed at a congress of the Ingush people, to which 200 deputies have already been elected.

State of Emergency Declared Over Krasnoyarsk Forest Fires

MM2408112194 Moscow RABOCHAYA TRIBUNA in Russian 24 Aug 94 p 4

[Report by Vitaliy Pyrkh: "Still Wet Behind the Ears?"]

[Text] An unprecedented forest fire situation has developed on the territory of Krasnoyarsk Kray this year. According to administration representatives, an area of 53,500 hectares of Siberian taiga is ablaze. And over 1,000 people have been diverted to fight the fire.

But the fire is beating man at the moment. The number of fires and the area of burned taiga is increasing with every day. According to preliminary estimates, the damage caused by forest fires in Krasnoyarsk Kray has already topped 10 billion rubles.

In the current emergency the kray administration has finally adopted an emergency decree: A state of emergency has been declared in seven northern rayons and the population havsbeen banned from easy access to the forests throughout the danger period.

Regrettably these measures are late as always.

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International Affairs

Kuchma Replaces Foreign Minister With Hennadiy Udovenko

LD2508115394 Kiev UNIAN in Ukrainian 1130 GMT 25 Aug 94

[Text] Kiev—Ukrainian President Leonid Kuchma has signed a decree releasing Anatoliy Zlenko from the post of Ukraine's Minister of Foreign Affairs in connection with his transfer to another job. Hennadiy Udovenko, Ukraine's Ambassador to Poland, has been appointed Acting Minister of Foreign Affairs. Udovenko is one of Ukraine's most experienced diplomats whose work has earned favorable comments in the West. Prior to the appointment as Ukraine's ambassador to Poland, he served as Ukraine's permanent representative in the United Nations.

Crimean Deputies 'Alarmed' by Reported Threat

AU2508101294 Kiev MOLOD UKRAYINY in Ukrainian 23 Aug 94 p 1

[Report by Volodymyr Prytula from the Crimea published under the rubric "Fact"]

[Text] It has become known from informed sources in the apparatus of the Crimean Supreme Council that the presidential structures of the autonomous republic are preparing a series of edicts on suspending the activity of the Crimean Parliament. Leaders of the Crimean Supreme Council are alarmed by such intentions and are preparing "appropriate measures." The source does not elaborate any further.

Parliament Speaker Moroz on Fleet, NATO

MK2408110294 Moscow SEGODNYA in Russian 24 Aug 94 p 5

[Viktor Yadukha report from Sevastopol in the "Black Sea Fleet" column: "Neither Ukraine Nor Russia Will Be Part of NATO, Believes Ukrainian Supreme Soviet Chairman Moroz"]

[Excerpts] In the runup to the second round of Russian-Ukrainian talks about the fate of the Black Sea Fleet and preparation of a full scale friendship and cooperation treaty between the two countries, Ukraine's Supreme Soviet Chairman Oleksandr Moroz met in Sevastopol with the Ukrainian Navy command and staff. At the end of the meeting the Ukrainian parliament speaker stated his position on some topical issues of foreign policy which will certainly affect the ratification of the talks.

Commenting on the results of the first preparatory stage of negotiations on the fleet, where the sides spoke in favor of its division, the head of the Ukrainian legislative branch observed that the Black Sea Fleet problem can hardly be resolved this way. In his opinion, the Black Sea Fleet problem should be addressed without encroaching on Ukraine's territorial integrity, based on the creation of a mobile and effective Black Sea Fleet which would defend the interests of both Russia and Ukraine. And this problem should be dealt with in the context of problems of the entire Black Sea region, including the states bordering on the Black Sea: Georgia, Romania, Bulgaria, Greece, Turkey, Ukraine, and Russia. [passage omitted]

At the same time, according to the Ukrainian Supreme Soviet chairman, neither Russia nor Ukraine will ever become part of NATO: "Russia will not allow Ukraine to join NATO without it, while Russia's accession to NATO means dissolution of this bloc.... Second, Ukraine cannot be with NATO even from the point of view of its interests: We shall not be able to adapt with our military systems. Therefore the U.S. initiative made at the meeting of the three countries' leaders is a kind of substitute for NATO with regard to Ukraine and Russia."

Oleksandr Moroz said that in his opinion, all vessels should be completely transferred to Russia without any compensation because the fleet as a combat entity can be used only as a single complex. But as for the coast, "this is the unquestionable property of Ukraine, and the Russian Navy can use it only on a contractual basis." [passage omitted]

As far as strategic weapons are concerned, they will be withdrawn from Ukraine's territory as soon as it receives monetary compensation for a reduction in its nuclear potential.

Experts Oppose Sale of Ships to U.S. Navy

AU2408191994 Kiev HOLOS UKRAYINY in Ukrainian 20 Aug 94 p 5

[Report by UKRINFORM correspondent Anatoliy Kuznyetsov from Nikolayev: "Will Our Vessels Hoist the Flag of the U.S. Navy?"]

[Text] Following the collapse of the GDR [German Democratic Republic], its weapons were distributed among NATO member countries for appraisal. Among other things, the Pentagon acquired a patrol boat. Having taken it to pieces, specialists at the U.S. Department of Defense gave the ship's potential a high rating, including its excellent speed and maneuverability ensured by four powerful gas turbines. Well, they had been designed in Nikolayev by the "Mashproekt" scientific and production enterprise and manufactured by the "Zorya" association. It now appears that the U.S. military will meet yet another brainchild of the Ukrainian gas-turbine technology designers—the 50,000 horsepower RO-60 "Atlantika" vessels. This assumption is based upon the following document. "It was with great surprise that we familiarized ourselves with information from the leadership of the Black Sea Steamship Company and a U.S. representative on the ongoing negotiations dealing with plans to sell these vessels to the U.S. Department of the Navy, which intends to use them for the rapid redeployment of weapons." This is what "Mashproekt" director and chief designer Viktor Romanov wrote in the spring of 1993 to the Ministry of Machine Building Industry and to the Nikolayev Oblast State Administration. He demanded that these offices intervene and prevent the signing of the agreement on selling the ships. The document

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expresses disagreement with the assertion by the ship owner to the effect that gas-turbine installations are uneconomical: Due to the high cost of fuel, the RO-60 vessels are unprofitable. "The decision on selling the vessels is ungrounded and it must be considered at a governmental level," Viktor Romanov concludes.

It is in this unexpected vein that we can now regard the four gas-turbine ships to be the most Ukrainian of all the vessels and ships that have ever been built in Nikolayev: Our own design, our own manufacture, our own power installation, and much of other types of our own equipment. The oldest of the ships—the Kapitan Smirnov—is 15 years old and the youngest—the Volodymyr Vaslyayev—was commissioned seven years ago. With a displacement of 35,000 tonnes, they are capable of reaching speeds of up to 25 knots. The sailors knew that, on special occasions, the ships could be added to the squadron with tanks and wheeled military technology in its holds. However, with the disintegration of the USSR and in view of the energy crisis in Ukraine, there arose a problem of using the full capacity and efficiency of the Kapitan Smirnov and her sisters. Is it true that there is nothing better left than to sell them to the Americans or somebody else at a loss for ourselves?

There is an alternative, as is not only maintained at the "Mashproekt," but also by private ship owners and even by some people at the Black Sea Steamship Company, although certainly not among its leadership. It is necessary to find enough cargo for them and to raise their efficiency.

"I still have no information on preparations for selling the gas-turbine ships," said Serhiy Pyrozhenko, captain of the Kapitan Smirnov. "This is what I think about these vessels: They are very good, and they only need the right master and tasks matching their potential. Much depends upon the Black Sea Steamship Company's agents in ports; some of them must be replaced."

The Odessa newspaper MORYAK [Seafarer] also carried an article in defense of the gas-turbine ships under the title "Why We Cannot Afford To Lose Our Gas-Turbine Ships." Its authors, Candidates of Technological Sciences Leonid Landa and Viktor Lazaryev (the latter is also a senior mechanical engineer on the Kapitan Smirnov), point out that these vessels are still strong and highly efficient and that they became unprofitable in present conditions, but that these conditions may change for the better. Over the years of their use, the engines of the four vessels worked a total of about 150,000 hours. In other words, as the authors maintain, the Black Sea Steamship Company carried out, in fact, a live experiment, unique in world practice, to examine a power-engineering complex and its adjustment to the difficult conditions prevailing in the transport fleet operation. The article proves, with the help of concrete figures, that the Kapitan Smirnov consumes no more fuel than a diesel-engined ship does. The authors believe that the gas-turbine ships must be kept for Ukraine.

At the same time, specialists at "Mashproekt" realize that the power installations on these vessels may be made more economical. They propose that third-generation gas-turbine engines be installed on the vessels. Their efficiency is 10 percent higher. Such a modernization does not require any appreciable alterations in the ship design or systems and may be performed at Nikolayev's shipyards. In addition to that, specialists of "Mashproekt" have completed work as a result of which they adapted their engines to the need of burning a heavier—motor—fuel. For this, they purchased, with their own funds, special fuel injectors and a fuel homogenizer that were delivered to the Kapitan Smirnov. However, they have not received a positive response to their proposal. Regarding this, Nikolayev specialists cannot help recalling the case of the hydrofoil gas-turbine ship Tsyklon. In the past, it was also rejected by the leadership of the Black Sea Steamship Company. Today, this vessel is successfully used on the Tallinn-Helsinki line and earns profits for its owners.

"Our position in defense of gas-turbine ships is not only due to the perfectly understandable "mother" love for our child," "Mashproekt" Deputy Director Anatoliy Kovalenko said. "The sale of these vessels to the United States or to anybody else may mark the beginning of Ukraine's abandoning its advanced positions in gas-turbine construction, despite the fact that it is increasingly preferred abroad in vessel power engineering. In this case, our ship-building industry will become even more dependent upon diesel installations, which we have to buy with hard currency."

Odessa is only two or three hours away from Nikolayev or Kherson, but, to this day, ship builders and ship owners have not met, despite the fact that they have a lot to discuss. For example, why should the Black Sea Steamship Company order vessels at the Slovak shipyard in Komarno, if the Nikolayev "Okean" plant is also capable of building identical ships for it? At such a meeting, it might be possible to discuss questions of equipping vessels with gas-turbine installations. In short, the difference of positions between "Mashproekt" and the Black Sea Steamship Company regarding the ships of the "Atlantika" type has revealed a far deeper seated problem—the absence of proper contacts or close cooperation between the two related branches.

National Affairs

President Appoints New Assistants

AU2408154094 Kiev URYADOVYY KURYER in Ukrainian 20 Aug 94 p 1

["Appointments to the Ukrainian Presidential Administration"; date not given]

[Text] In accordance with the Ukrainian presidential directive, the following appointments have been made: PIDPALOV, Leonid Vasylyovych—deputy chairman of the Ukrainian Presidential Administration; TERENCHUK, Petro Dmytrovych—deputy chairman of the Ukrainian

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Presidential Administration; BARANOV, Oleksandr Volodymyrovych—assistant to the Ukrainian president; VOLKOV, Oleksandr Mykhaylovych—assistant to the Ukrainian president; HAVRYLOV, Yuriy Petrovych—assistant to the Ukrainian president; LYTVYN, Volodymyr Mykhaylovych—assistant to the Ukrainian president; LYTVYTSKYY, Valeriy Oleksiyovych—assistant to the Ukrainian president; POPOV, Oleh Yakovych—assistant to the Ukrainian president; KUZNYETSOV, Volodymyr Oleksiyovych—head of the Administration for Economic Issues; LELYK, Petro Vasylyovych—head of the Administration for Issues of Domestic Policy; FURKALO, Volodymyr Vasylyovych—head of the Administration for Issues of External Policy; DOROSHENKO, Mykhaylo Ivanovych—press secretary and head of the Ukrainian Presidential Press Service; NOVOKHATKO, Leonid Mykhaylovych—head of the Service for Issues of Humanitarian Policy.

Crimean Supreme Council Chairman Tsekov Interviewed

MM2508114394 Moscow ROSSIYSKAYA GAZETA in Russian 24 Aug 94 First Edition p 7

[Interview with Sergey Tsekov, chairman of the Crimean Supreme Council, by Vladimir Ostrovskiy; date and place of interview not stated: "We Have No Reason To Divide Portfolios, Asserts Sergey Tsekov, chairman of the Crimean Supreme Council"]

[Text] [Ostrovskiy] Sergey Pavlovich, Ukraine's sovereignty gave you economic devastation and the breakdown of economic relations with Russia. Are these relations now being put right?

[Tsekov] We have one way out—developing these economic relations. Over 20 regional economic agreements have now been signed between Crimea and various oblasts and republics of Russia, with the Moscow City Hall, and the association of Chernozem lands.

Here is the document signed by Crimean Vice Premier Ye.F. Saburov and V.K. Glukhikh, chairman of the Russian State Committee for the Defense Sectors of Industry. This agreement provides for the restoration of economic relations between enterprises which used to form a single complex—after all, we must preserve highly sophisticated technologies and their scientific and production potential.

It gladdens my heart that Crimean and Russian enterprises have agreement on joint deliveries of units, components, and complete sets of equipment, on mutual cooperation and technical information exchange. Blood ties should not be broken. Right now it is important for us to overcome the catastrophic slump in production in industry.

[Ostrovskiy] As far as I know from official sources, close contacts are also being set up with other regions of Russia.

[Tsekov] An agreement was signed recently between Tatarstan and Crimea on trade and economic and technical mutual relations. It is planned to finance joint socioeconomic programs by granting credits and loans. To improve close economic cooperation Tatarstan is opening a trade and economic mission in Sevastopol.

[Ostrovskiy] But there are forces in Crimea which are delaying economic reforms.... They say that contradictions are arising between parliament and the executive power. Is this not preventing the establishment of statehood? Are interethnic conflicts not being played out on the crest of democratic transformations?

[Tsekov] In my opinion we are now approaching civil accord. The so-called conflicts between parliament and the government are in many ways artificial. For instance, they argue about where the government should be when it is in session—in an auditorium or at its places of work. But that is absurd. The main thing is the results in work. And parliament is only starting to "get to grips" wit the situation, is still only gathering experience and wisdom.

Something else is of importance to us—not to be drawn into political and interethnic "wars." We must control the political situation and sometimes official Kiev is stopping that. It is true that with the arrival of the new president the situation has changed—the Crimean leadership has taken the state of society under control.

We want to preserve the unity of legislative and executive power. We have no reason to divide portfolios. If there is unity there will be Crimean statehood. But that does not mean we are geared toward political isolation, toward Kravchuk-style separatism. And the functional apparatus of bureaucrats created in the likeness of the former president can see the time has come to restructure itself. After all, just look: The former Ukrainian leadership has put the Black Sea Fleet in an impasse—since the end of last year official Kiev has allocated just 1 billion karbovantsy for the sailors. Yet about 3 billion have been taken from the fleet's account as a tax on land and for customs duties. Yet under the Yalta agreement Russia and Ukraine should finance the sailors equally. I shall say more: Hydrographic equipment is being used in the fleet at Russia's expense.

The fleet is losing its combat capability and its importance as a symbol of sovereignty. And the Russian-speaking population's morale is dropping—people feel they have been abandoned and their interests forgotten. That could lead to the loss of their considerable influence in this region.

[Ostrovskiy] So one what can we count in Crimea? On a new twist in the struggle for separatism or entry into the ruble zone?

[Tsekov] An unusual question. The demand to return to the ruble zone contains the treat of the danger of being dependent on the central Bank of Russia. It is not a question of the ruble zone. Crimea today is counting on its own forces: It cannot blame its errors on Kiev and Moscow.

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Belarus

Forestry Minister Fired Over Export Scam

MM2408121794 Moscow TRUD in Russian 24 Aug 94 p 5

[Report by Tatyana Polyakova: "Belorussia: First Casualty"]

[Text] Minsk—The struggle against corruption proclaimed in the election promises of the president of Belorussia [Belarus] has entered a practical phase: Forestry Minister H. Markowski has been released from his post. The reason is more than serious—he was in sole charge of the export trade in timber with Finland, perpetrating flagrant mismanagement and no less flagrant violations of legislation. According to the results of an audit by the Control Chamber, Markowski's activity caused the state a loss of approximately 50 million rubles. It has come to light that there was no accounting or control of export operations at the ministry, while, on the other hand, there was a "system" for squandering timber resources whose constituent parts were the oblast forestry management associations. Employees of the State Committee for Foreign Economic Relations were also involved, and the customs connived. As a result, output was exported at prices two or three times below world prices. At the same time some of the currency proceeds remained in Finland for several years instead of working for the Belorussian economy. Quite incomprehensibly, the Finnish side was even paid money to look after it. If currency did enter the republic, it was frequently used to subsidize commercial structures.

This can hardly be considered an isolated case. The republic's Control Chamber has established that over the past 18 months, in the sphere of foreign economic activity alone the republic has been made to suffer a loss of almost $50 million.

Hryb Address to Diplomats on Foreign Policy

WS2508101594 Minsk ZVYAZDA in Belarusian 13 Aug 94 pp 1, 3

[Speech delivered by Belarusian Supreme Soviet Chairman Myacheslaw Hryb, during a conference of heads of Belarusian embassies and consulates, at the Foreign Ministry in Minsk; date not given: "The Foreign Policy of Belarus Is Being Built on the Basis of National Interests and National Security"]

[Text] Esteemed President of the Republic of Belarus! Esteemed Prime Minister! Esteemed organizers of the international activities of the Republic of Belarus! Respected representatives of the Republic of Belarus abroad! Dear ambassadors extraordinary and plenipotentiary! Respected participants!

Welcoming you heartily and with your permission, I will not dwell on the lyrical side of politics. Life is too difficult and severe nowadays. In addition, we have undergone some political changes. Therefore, as military people say, it is high time to synchronize our watches—our political watches, first of all.

1. Initial Positions

What are our initial political-economic and political-legal positions today? By whom and by what are they determined? Has anything changed in Belarus after the presidency was introduced? I will answer simply: If we really want to have a democratic state of law, these initial positions should not be determined by individual people. Therefore, none of Belarus' fundamental positions has been changed, and none should be changed. These positions are determined by just one thing, one document—the Constitution of the Republic of Belarus.

I will outline these positions for you.

First, they include the indispensable right of Belarus and its people to self-determination, the development of our own statehood, the safeguarding of rights and liberties of every citizen, and the establishment of civic accord.

These positions are based on the following constitutional principles: Man is the supreme value of society and the state; the democracy in our country is pluralistic; the main branches of power are independent within the bounds of their authority; the norms of international law take priority in our Republic; all forms of ownership enjoy equal rights; relations between all communities, religions, and denominations are built on the basis of equality before the law; the Belarusian language is our official language, while the right to use Russian or any other language is unswervingly guaranteed to all.

The Supreme Soviet is the highest representative and sole legislative body of our state.

Finally: "The Republic of Belarus in its external policy proceeds from the principles of the equality of states, the nonuse of violence or threat of violence, the inviolability of borders, the peaceful resolution of conflicts, noninterference in internal affairs, and other generally accepted principles and norms of international law." This is a full quotation from Article 18 of our Constitution.

Such are the initial political-economic and political-legal positions and principles of our domestic and foreign policies. Understandably, their central pivot is the idea of statehood, the sovereignty and independence of Belarus, the idea of dignity, rights, and freedoms of every Belarusian citizen.

Proceeding from the Constitution and considerations of national interests and national security, we will do everything possible to make the multisocial structure, or the social plurality of our people, which ensues from our multistructured economy, lead us not toward social and class tensions, but only toward social and political accord, so as to prevent actual and legal equality and freedom of all forms of ownership from being simply a constitutional declaration, and to prevent dignity,

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freedom, and human rights from becoming transformed into just another attractive, yet empty, slogan.

The social nature of market reforms—and this has been underscored by us many times—should not become a burden on those reforms, but, by civilizing the market, accelerate its development. This is what IMF Executive Director Michel Camdessus urged us to do.

The vitally necessary economic union with Russia cannot involve abolishing the National Bank of Belarus' constitutional powers and, at the same time, cannot create the possibility of transforming Belarus into a northwestern region [kray] of vast Russia.

The struggle by certain circles of society for the rights of the Russian language in our country should not lead to the loss of the achievement that was dreamed of by our best patriots over long centuries—the official status of the Belarusian language. It is, however, still a long way before we actually reach this status, notwithstanding the fact that it is provided for in the Constitution....

The time has come for the fight against crime and its offspring—corruption—to become transformed into concrete action based on law.

It is necessary to reduce the inflation of money, a terrible economic phenomenon, to a moderate level and exclude the possibility of the no less terrible inflation of power.

We hope that the election of the first president of our state will bring clarity and, first and foremost, positive results for the Belarusian people in all spheres of their problems and doubts.

2. Achievements and Unresolved Tasks

The first serious step by the Supreme Soviet on the path toward the making of Belarusian statehood and the formation of its independent course in foreign policy was the Declaration on State Sovereignty, adopted on 27 July 1990.

The Declaration set the seal on the realization of the right of the Belarusian nation to self-determination, announced Belarus' independence in the international political arena and its desire to become a nonnuclear and neutral state, and asserted Belarus' claim to independently fulfill the right to join and secede from alliances with other countries.

It should be said in all fairness that we have also attained many positive results during the last four years. The Republic of Belarus, as an independent state, has been recognized by 123 states; we have established diplomatic relations with 97 states. The Belarusian Supreme Soviet has ratified agreements on nuclear and conventional disarmament.

Belarus is a full-fledged member of over 20 international organizations; in a dozen other organizations, Belarus has been granted observer status. We cooperate fairly well with the IMF and the European Bank of Reconstruction and Development; we are becoming increasingly active within the framework of the CIS. The next issue on the agenda is the resolution of problems connected with our joining the European Union, the Council of Europe, the Partnership for Peace, and many other things. The diplomatic representation of Belarus in the world would naturally have been more substantial if we had not been limited by our slender financial means and an indifferent attitude toward this very important problem on the part of some of our former leaders.

Today, the gains of Belarus' international activity may rightfully include the following: We have 1,438 joint ventures and 419 purely foreign firms from 66 countries operating in Belarus; as of 1 May 1994, we were given $1,049,500,000 in foreign credits; we have agreements on the protection of investments and the elimination of double taxation with a number of developed countries.

We have excellent economic relations with Germany. This country is our top trading partner among countries of the far abroad.

An important achievement in the development of our trade and economic relations is the most favored nation status granted to Belarus by the United States.

Along with this, however, we are justly dissatisfied with the degree of activity by our representatives abroad. One has the strong impression that quite often they assume the role of mere mechanical recorders of events outside their sphere of activity instead of being proactive in developing political and economic relations with foreign countries. Perhaps this is why Belarus has been currently overwhelmed by such a multitude of problems. Thus, while fulfilling the agreements on nuclear and conventional disarmament that I mentioned before, we are suffering huge material losses. Our ambassadors, however, are making little effort to engage European countries more actively in this matter.

We cannot be fully satisfied with the current amount of foreign enterprises and direct foreign investments in Belarus. We cannot be satisfied especially with the fact that they are concerned primarily with exports of foodstuffs and raw materials from Belarus.

We are losing our markets in Russia and other CIS countries.

Out of seven agreements adopted on the protection of investments, only two are currently in force (Germany, Switzerland).

The process of concluding an agreement with the European Union is advancing too slowly.

Preferential treatment in trade with developed countries is closed to us.

We are literally besieged by antidumping quotas for textiles and potassium salt.

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We still have only observer status in GATT.

A number of countries (for example, France), participate poorly in the economic reform of Belarus, while others (for example, Israel) do not participate at all.

Our joint projects with Switzerland and the global ABB concern, upon which we have an agreement in principle, are advancing at an intolerably slow pace. We are very poor explorers of Asian markets. Having actually found itself among the underdeveloped countries, Belarus continues to pay membership fees to international organizations as a highly developed country. True, the UN committee for membership fees intends to halve our fees over a period of three years.

In spite of our great efforts and expenditures, Belarus has not been included in the UN Security Council.

The quotas of our personnel in international organizations are too small.

Finally, as before, the information about Belarus in foreign countries and international organizations is unsatisfactory, as is the information concerning the achievements and interests of those countries in which our esteemed ambassadors work.

We desperately need information about the market economy, banking, investment activities, free economic zones, the economic situation, and, naturally, the political situation in foreign countries.

Unfortunately, there are more problems and questions than satisfying solutions and answers.

Of course, not everything depends on ambassadors and the relevant ministries. There is one thing, however, that does depend on them—extreme activity in supporting the main element of Belarus' national interests, which is the economic reform to overcome our total crisis. For the time being, we do not see such support.

3. The Problem of Strategy and Legislative Backup

The most essential gain in the chronology of our achievements is the adoption of the Constitution, which determines basic principles of our state's foreign policy and the legal footing for its implementation. We can assuredly state that the adoption of the Constitution concluded the first stage in making the international policy and diplomacy of the Republic of Belarus—the stage of search and probing and, naturally, of errors and mistakes.

It is now necessary to begin a stage of highly professional and extremely intense international activity for the sake of, and in the name of, the Republic of Belarus.

Naturally, Article 18 of the Constitution determines not only the basic principles of our international activities and basic elements of the mechanism for their implementation, but also the basic strategies for those activities.

However, one constitutional article is not enough to pursue this path without groping.

We need, I would say, a scientifically based, "written," strategic concept of the Republic of Belarus' international activity, which should be discussed and approved by the Supreme Soviet and the other highest state bodies.

The need for such a concept was expressed long ago. However, we do not yet have any such written-down, discussed, and approved strategic concept. This is very hard to understand, especially if one takes into account the fact that Belarus possesses excellent and experienced diplomats and parliamentarians, as well as excellent scientific potential.

Since, according to the Constitution, the Supreme Soviet "determines the basic directions of domestic and foreign policies" (Article 83 Section 9), we are primarily the ones who are to blame for such a state of affairs. In my opinion, the main driving forces behind such a concept should be national interests and national security. The content of this concept should basically include political, economic, and humanitarian diplomacies in close interaction. Of course, under the current circumstances, economic diplomacy should be given number one priority. At the same time, I think that some of our young political analysts are unjust and limited in their severe criticism of the Foreign Ministry for its efforts to find the Cross of Eufrosinia of Polotsk [lost Belarusian historical relic, for which an international search was launched by former Foreign Minister Krawchanka]. Rational pragmatism should be the essence of such a concept. The main directions and vectors of Belarus' search for aid and friends should by determined not by ideological cliches, but by our domestic needs. Such an approach enables us to understand that it is more sensible for us to look for partners and friends in every direction—in Russia, the United States, Poland, Germany, and elsewhere—giving preference not to blood relationships, but to the amount and readiness of assistance.

Naturally, Russia and the other CIS countries, according to this criterion, have, for the time being, the highest priority in our economic ties.

This strategic concept for the international activities of our state should include a well-devised and smooth-running mechanism for their implementation. This mechanism should ensure an effective consensus in the working out of an international strategy for all branches of state power on the one hand, and a precise demarcation of their responsibilities on the other—the Supreme Soviet, the president, and the Cabinet of Ministers should have clearly defined duties in this common cause.

The distribution of powers and duties between the Supreme Soviet and the president, as established by the Constitution, point to the necessity and desirability of cooperation between the Supreme Soviet and the president with his administration to determine and implement the state's foreign political course. Although the

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basic directions of foreign policy are determined by the Supreme Soviet and implemented by the president, it is my opinion that the concept of Belarus' foreign policy should be worked out jointly.

Furthermore, it is time for us to look into our ministries, their structure and work.

In my opinion, a single strategic concept of international activity and a single clear mechanism for its implementation should be affirmed legislatively.

The Supreme Soviet and the government have adopted 18 normative acts regulating matters of foreign investment in Belarus' economy. Since 1991, the Supreme Soviet and the Council of Ministers have adopted over 300 various resolutions on issues of the Republic's foreign political and economic relations.

The Supreme Soviet commissions are currently examining proposals for releasing foreign investors from custom duties, revising issues of determining quotas and granting licenses for commodities produced by enterprises belonging to foreign investors, and other matters.

The Cabinet of Ministers and the Supreme Soviet commission for international affairs and external economic relations should soon submit for legislative discussion draft regulations on foreign diplomatic missions in the Republic of Belarus, on diplomatic missions of the Republic of Belarus abroad and the procedure for opening them, and on the consular statute of the Republic of Belarus. Of course, there will be other concrete bills in this sphere, too.

All this will contribute to the realization of Belarus' international strategy and the working out of the aforementioned mechanism. However, a question arises: Is it not time to adopt a long-delayed law "On the basic directions of foreign political and economic activity of the Republic of Belarus," which could also affirm the guidelines of Belarus' strategic concept of international activity and a single mechanism for its implementation?

I think that it would be very good if the problem of a single strategic concept and a single law regulating this activity were resolved during the legislative session in September.

Thank you for your attention.

INTERFAX Exclusive Report on Belarus

LD2408154694 Moscow INTERFAX in English 1121 GMT 24 Aug 94

["Exclusive" report No. 46 of 24 August]

[Text]

LUKASHENKA DOES NOT INTEND TO HIKE TAXES

President Alyaskandr Lukashenka does not intend to hike taxes on major private businesses in Belarus. This was announced by the President's Economic Adviser Alyaskandr Sazonov at a meeting with business managers in Minsk on August 18.

He called the current scale of taxation "rather high" and made it clear that certain taxes might be cut. At the same time he noted that such a reduction should be carried out "gradually by taking its consequences into account."

Sazonov urged businessmen to actively cooperate with the government and presidential administration in drafting proposals on economic reform and in overcoming the crisis. He stressed that "honest businessmen should not take too much to heart President Lukashenka's announced resolve "to put things in order" in business circles. Sazonov explained that Lukashenka's threats would affect "unscrupulous dealers breaching the law and evading taxes."

BELARUSIAN FINANCE MINISTRY FAVORS PROPOSED FOOD PRICE RISE

The Belarusian Finance Ministry has upheld President Lukashenka's proposal for the raising of prices for bread by an average of 1200 percent and prices for dairy products—by an average of 1500 to 1700 percent. A Ministry spokesman told Interfax that the government would have to subsidize food purchases with an additional 3.5 trillion Belarusian rubles (248.5 billion Russian rubles at the exchange rate of Russia's Central Bank). Increased subsidies would, in turn, produce a twofold growth of Belarus' budget deficit. The budget deficit would grow from 6 to 12 percent of the gross domestic product.

According to the Ministry spokesman, prices for dairy products were to have been released in January and bread prices were to have been released gradually in the course of the first six months of 1994. The government food subsidies were to have been discontinued by the end of June. The government, however, failed to meet its earlier pledges and the sum total of its food subsidies reached 1.8 trillion Belarusian rubles, or, more than 130 billion Russian rubles, to exceed the planned figure by almost 900 percent. Food subsidies accounted for 14 percent of the spending part of the Belarusian budget.

FACE VALUE OF BELARUSIAN RUBLE DROPS TENFOLD ON AUGUST 20

A spokesman for Belarus' National Bank says that the face value of the Belarusian ruble dropped tenfold on August 20.

Before August 20 the face value of the Belarusian ruble was ten times lower than the ruble's buying capacity. To buy 1,000 rubles' worth of goods, a customer had to produce a one-hundred-ruble bill. As of August 20, their buying capacity is to correspond to the face value of the Belarusian ruble bills.

According to the Bank spokesman, all kinds of tariffs, prices, budget revenues and the people's salaries are to

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be reduced tenfold on August 20. All commercial banks and businesses are to draw up new balance sheets and rewrite the logs they have been keeping since January 1, 1994.

Under Belarusian law, delays in the revision of balance sheets are to be regarded as arbitrary attempts at financial fraud. The "extra" moneys on transgressor banks' and businesses' accounts are to be transfered to the state budget and up to 40 minimal salaries (100,000 Belarusian rubles, as of August 18) are to be withdrawn in fines from the pockets of the appropriate bank and business executives.

The deputy chairman of Belarus' National Bank Nikolay Kuzmich told Interfax that the scheme officially known as the denomination of the Belarusian ruble would not provoke new price hikes on the condition that the executive branch assumed tight control of businesses in Belarus. According to Kuzmich, the National Bank intended to back the denomination scheme and interfere to avert the growth of the US dollar against the Belarusian ruble.

The Belarusian ruble was introduced in May, 1992. Initially, one Belarusian ruble went for one Russian ruble. On May 18, 1994, it was recognized as Belarus' only monetary unit. Today, 50-kopeck, 1-, 3-, 5-, 10-, 25-, 50, 100-, 200-, 500-, 1000- and 5000-ruble bills circulate in Belarus. There is no coined money. On the official market, one Belarusian ruble traded for 32,800 US dollars [as published] on August 18.

BELARUS'S FOREIGN DEBT WITHIN WORLD BANK LIMITS

The size of Belarus's foreign debt is within the limits set by the International Bank for Reconstruction and Development (World Bank), a spokesman for the republic's Ministry of Foreign Economic Relations said.

As of July 1, Belarus owed other states and international financial organizations a total of $1.4 billion. Parliament, however, has set this year's limit for the country's foreign debt at $2 billion.

According to Wold Bank calculations, a nation's monetary security is ensured if the ratio between its foreign debt and its total export revenue is under 275 percent, the ratio between its current foreign debt payments and its total export revenue is under 30 percent, and the ratio between its foreign debt and its gross national product is under 50 percent. Those ratios for Belarus, if the republic's foreign debt reaches $2 billion by the end of the year, will stand at 50, 8.5, and 30 percent respectively. The Ministry of Foreign Economic Relations believe that this guarantees the country's solvency.

Belarus's official foreign debt comprises only those sums formalized in intergovernmental agreements. Of loans totaling $1,674,800,000 that are to be provided the republic by July 1 received $629 million. It owes the largest sums to Germany ($207.5 million), the European Commission ($119.8 million), the International Monetary Fund ($92 million), and the World Bank ($37.4 million).

Of the former Soviet republics Russia is the only one to which Belarus has an official debt to pay, owing the neighboring country a total of $385.4 million. However, Belarus has nongovernmental arrears to pay to some of ex-Soviet countries for goods received on a clearing basis, which total about $500 million, including $392.8 million for Russian energy.

According to the Ministry of Foreign Economic Relations, some 80 percent of the loans received this year are allocated for repayable projects, mainly those to buy new technologies.

BAYER TO INVEST 15 MLN MARKS IN BELARUS PHARMACEUTICAL INDUSTRY

The German chemical company Bayer and the Belarusian pharmaceutical company Pharmatech plan to manufacture a quantity of medicines worth 15 million deutschemarks [DM] (nearly $10 million).

Bayer will provide equipment for Pharmatech's factory, situated in Minsk, a spokesman for the Belarusian firm told Interfax. The project will go through several stages. Initially—by the end of the year—a packaging line will be installed having a capacity of 80 tablet packages a minute and costing 1.5 million marks ($1 million). To date Pharmatech has already received equipment for the line to a sum of 300,000 marks.

Within next year, the German company will provide tablet-making facilities worth 1.2 million marks. During the final stage of the project, spanning the years 1996 and 1997, Bayer will supply ingredient-dosing equipment costing about 12 million marls. Some of the ingredients are also to be provided by the German side.

Experts believe it is much cheaper to make Bayer medicines in Belarus. Just having them packaged in Minsk would cut their cost down by 15 percent. The Pharmatech spokesman said that Bayer regarded the Belarusian enterprise as its future base in the Commonwealth of Independent States and was going to market via it medicines made in Belarus.

The equipment, to be given to Pharmatech free of charge, will become the Belarusian company's property. Bayer will also provide Pharmatech with necessary technical papers and will train personnel for it. The Belarusian side, for its part, offers its factory building as the venue for the project and will remodel it. The partners' shares in the future profits will not be made public.

Pharmatech has recently also signed a letter of intent with the Swedish Gambro Sales to jointly produce dialysis solution concentrate. The project, whose cost is

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is offering a factory space of 800 square meters and is to remodel the factory building.

Belarus, with its population of 10 million, is this year going to import medicines to a total of more than $50 million. Last year it spent $78 million on drug imports. The republic itself produces only between 8 and 10 percent of the medicines it needs.

RUSSIA EXPORTS LESS OIL AND GAS TO CIS PARTNERS BUT MORE TO OTHER COUNTRIES

Between January and July, Russia provided other members of the Commonwealth of Independent States with a total of 18 million tonnes of oil and 46 billion cubic meters of gas, which is respectively 33 and 10 percent down on the same period last year, the Russian State Committee for Statistics said.

In particular, Ukraine received in that period 8.1 million tonnes, Belarus 5.4 million tonnes and Kazakhstan 2.5 million tonnes of Russian oil (21, 26 and 59 percent down respectively). The respective figures for gas are 35.2, 8.8 and 0.4 billion cubic meters (8, 15, and 43 percent down).

In the same period Russia increased its exports of oil and gas to countries outside former Soviet territory by 12 percent (to 51 million tonnes) and 15 percent (to 63 billion cubic meters) respectively.

OIL AND GAS PRODUCTION IN CIS BETWEEN JANUARY AND JULY '94

(Data of CIS State Committee for Statistics)

	Oil, including gas condensate		Gas	
	mln tonnes	pct of quantity produced in January-July 1993	bln cubic meters	pct of quantity produced in January-July 1993
Kazakhstan	9.8	84	2.3	63
Russia	150.0	86	312.0	98
Turkmenistan	2.0	91	20.6	55
Uzbekistan	2.6	137	24.6	108

The falling production of oil led to a decline in the production of principal oil products, according to the State Committee for Statistics of the Commonwealth of Independent States. Russia produced 14 percent less motor gasolene, 16 percent less diesel fuel, and 11 percent less residual fuel oil between January and June 1994 than in the same period last year. The respective decline percentages for Belarus are 9, 19 and 40, those for Kazakhstan 37, 34 and 23.

ENERGY EXPORTS OF CIS STATES BETWEEN JANUARY AND JUNE '94

In that period the CIS's exports to countries outside former Soviet territory were worth a total of $25 billion, or $2 billion or 9 percent more than in the same period last year. The total cost of imports during those six months reached $16 billion, which was $900 million or 6 percent less than in the same period in 1993.

The main partners for CIS states are European Union countries, Hungary, Poland, China, Turkey, the United States, and Japan, whoich account for more than 60 percent of the Commonwealth's trade with nations outside the territory of the former Soviet Union.

CIS Exports between January and June 1994

(Data of the CIS State Committee for Statistics)

	1	2	3	4	5	6*
RUSSIA						
Crude oil (tonnes)	38,000	4.273 bln	42,000	4.187 bln	111	88
Oil products (tonnes)	15.0mln	1.713 bln	18.0mln	1.527 bln	115	78
Natural gas (cubic meters)	48.0 bln	3.714 bln	55.0 bln	3.943 bln	115	92
Electricity (kWh)	2.8 bln	64.3 mln	2.9 bln	60.7 mln	106	89
BELARUS						
Crude oil (tonnes)	-	-	150,000	13.4 mln	-	-

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CIS Exports between January and June 1994 (Continued)

(Data of the CIS State Committee for Statistics)

	1	2	3	4	5	6*
Oil products (tonnes)	323,000	45.2mln	96,000	9.8mln	30	73
KAZAKHSTAN						
Crude oil (tonnes)	550,000	45.4mln	60,000	2.7mln	11	54
Oil products (tonnes)	553,000	58.0mln	647,000	38.5mln	117	57

*1, volume of exports in January-June 1993;
2, their cost (dollars);
3, volume of exports in January-June 1994;
4, their cost (dollars);
5, increase in the physical volume of exports (percentage);
6, price increase (percentage).

CURRENCY MARKET ON AUGUST 15-20

The Belarusian ruble continued its chute last week. It devalued 11.1% against the dollar which is now sold at 33,950 "hares," 19.8% against the deutschemark (21,800), 17.3% against the Russian ruble (17,600) and 11% against the Ukrainian karbovanets (0.80).

The unprecedented crediting of the country's agriculture was the chief cause of this sharp decline. The president persuaded the National Bank to loan agriculture 1.4 trillion rubles and to open unlimited lines of credit for the purchases of the harvest and for the storing of meat and powdered milk. Now the bank may be told to allocate about 800 billion rubles for the spring sowing. Against a background of promises to instill order in foreign trade these steps provoked a sharp increase in the demand for hard currency while the supply remained invariable. The National Bank sold as little as $3.5 million last week. As a result, the price of the dollar soared. A total of $16.4 million, DM 26.8 million, 9.7 billion rubles and 32.9 billion karbovantsi were sold last week.

The chaotic variations of the exchange rate turned transactions in three currencies into a lucrative business. In particular, those who sold dollars to buy rubles to buy Belarusian rubles to buy dollars made a net profit of about 11 percent.

All is quiet, however, on the cash market. Shortage of the Belarusian cash kept the Belarusian currency from falling even deeper. In this market the dollar was sold for 26,000 to 27,000 Belarusian rubles, the deutschemark for 16,200 to 17,300, and the Russian ruble for 10.0 to 13.0 Belarusian rubles. The exchange rate of cash market will, most probably, tend to fall behind that in non-cash transactions until at least mid-September when a large lot of "hares" is expected to have been printed in Russia.

There were no economic reasons why the Belarusian ruble should not continue to fall but the rate of fall is expected to slow down unless the government issues more cash to grant credits to other sectors.

Moldova

Presidential Decree Issued on Income Tax Reduction

AU2308081894 Chisinau BASAPRESS in English 1934 GMT 18 Aug 94

[Text] Chisinau, BASAPRESS, 18/8/1994—Today, the newspaper LOGOS PRESS made public the presidential decree on the reduction of income taxes for individuals. The new taxes are the following: for incomes less than 10 minimum salaries [as received] the tax is 10 percent of the chargeable amount (incomes up to 18 lei are not taxed); from 10 to 20 minimum salaries 20 percent of the amount exceeding 10 minimum salaries; from 20 to 30 minimum salaries 30 percent of the amount exceeding 20 minimum salaries; from 30 to 40 minimum salaries are taxed at 50 percent of the amount exceeding 40 minimum salaries. The minimum salary in Moldova established by the presidential degree stands at 18 lei. Sources from the Fiscal Inspectorate told BASA that previously the incomes exceeding 5 minimum salaries were taxed at 10 percent, the maximum tax rate standing at 70 percent of the incomes exceeding 50 minimum salaries. Experts consider sensational the decision on the cuts in the income taxes, emphasizing the fact that is the first time during the last years when the fiscal burden has been eased.

Paper Reports Four MiGs Sold to South Yemen

LD2308130294 Moscow ITAR-TASS in English 1231 GMT 23 Aug 94

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Kishinev [Chisinau] August 23 TASS—Moldavia's [Moldova] Defence Ministry sold four MiG-29 fighter planes and seven missile launchers of the

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"uragan" type to South Yemen on June 20, 1994, the newspaper "TARA" reported today.

According to the newspaper, the deal was transacted through the Russian concern "Rosvooruzheniye" and the Bulgarian-Belgian firm and earned about forty million dollars for Moldavia.

The MiGs left to Kishinev after the break-up of the Soviet Army were delivered to Aden by transport airplanes from the Moldavian military airfield Markulesti. Twelve maintenance men and five pilots flew to the Arab peninsula together with the aircraft. They took part in the war which began between North and South Yemen last May.

According to the Moldavian newspaper, the pilots were paid up to 2,500 dollars for each combat mission and ten thousand U.S. dollars for each downed aircraft. During one of the combat flights, a Moldavian fighter plane was shot down but the pilot escaped unscathed.

The newspaper said another thirteen fighter planes were being prepared for a trip to South Yemen, but the war ended in July with North Yemen's victory. The Moldavian military specialists had to leave the country, leaving behind their fighter planes as trophies to the northerners.

Tara accuses the leadership of the republic and the Defence Ministry of gross violations of the international agreements on arms sales abroad, which Kishinev signed after proclaiming independence.

The press services of the president of Moldavia and the Defence Ministry of the republic who were approached by ITAR-TASS have declined to comment.

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Kazakhstan

Nazarbayev Rebukes Government for Slow Reforms

LD2208173294 Almaty KAZTAG in Russian 1430 GMT 22 Aug 94

[Excerpts] On 19 August President Nazarbayev listened to a report by the government, led by Prime Minister Sergey Tereshchenko, on the implementation of a program for deepening reforms and lifting the country's economy out of crisis. [passage omitted]

There is a general tendency for the decline in the production and national income. Credit emission is increasing—by 1 July the total volume of credit injections throughout the republic exceeded 38 billion tenge. What is worse, most of the enterprises are not in a hurry to pay their debts to the state. As a result, overdue indebtedness has reached an astronomical figure of over 27 billion tenge.

The president believes that during the spring offsetting of accounts between enterprises, the government simply put off a problem and now we are reaping the fruits of such "pseudotherapy." At present the sums which enterprises owe each other in mutual offsets exceed their personal funds by a factor of 3.6.

This could result in another money emission and injection of new credits to the economy. The president reproached the government: August is coming to an end but the decisions, which should have been taken a while ago, are being drafted. Drafting of a bankruptcy law, a program of a legal reform, and banking activity has taken an unjustifiably long time. Nazarbayev described rates of small scale and mass privatization as slow. As a part of a small scale privatization in July, only 191 out of 407 enterprises were sold. An insufficient number of social and cultural enterprises have been sold by auctions. This is a heavy burden for the republican budget. Therefore, it is not by chance that the share of non-state enterprises in public utility services comprises only six percent and in trade, 22. These areas should undergo full privatization but instead the process is accompanied with bureaucratic hurdles.

Privatization in industry is no better. Those enterprises who have become independent, are not working well. The question arises: Do we really need to change the form of ownership?

Similar is the situation in agriculture, where rates of privatization are slightly higher. But no positive changes have happened in this area.

Under the conditions of destabilized economy, deep financial crisis and social unrest stressed the head of state each day becomes extremely valuable. [passage omitted]

Nazarbayev: No Subsidies for Nonprofits

LD2408185994 Moscow INTERFAX in English 1651 GMT 24 Aug 94

[From the "Presidential Bulletin" feature: No. 163 (653); Compiled by Nikolay Zherebtsov and Andrey Petrovsky; edited by Vladimir Shishlin]

[Text] During his working tour across the northern part of the country, Kazakh President Nursultan Nazarbayev said Tuesday [23 August] that non-profitable collective and state farms must be declared bankrupt, while private entrepreneurship must be supported by all means.

A total of 270 out of 2,500 farms in Kazakhstan are non-profitable, Nazarbayev told a meeting of agricultural workers. He said only 35-40 percent of collective and state farms accounted for 80 percent of all agricultural produce, while the rest was feeding on their success. Nazarbayev said that after ineffective farms are declared bankrupts, their lands may be given either to profitable farms, or industrial plants. If no one wants these lands, they will be transferred to the regional fund to be eventually distributed among farmers.

"Farms must survive on their own means. The state will not grant them privileged credits," Nazarbayev said. He added that Kazakhstan annually gave 300 million tenge (46.4 tenge=$1) to agriculture.

Nazarbayev made a special emphasis on suppressing inflation. "The government must stick to this line however hard it will be. By the end of the year, inflation must be kept below 5%," he stressed. He said the inflation rate in Kazakhstan fell from 2,000% last year to nearly 9

in the first half of August.

Nazarbayev said the republic had managed to slow down the growth of prices of food and some manufactured goods. He also pointed out that the rate of the national currency unit, the tenge, had been stable over the last three months.

Nazarbayev assured that Alma-Ata [Almaty] will by all means support a new class being born - private entrepreneurs. He said Kazakhstan supported by the European Bank was creating a fund for support of the private sector already granted $150 million. For its part, the U.S. also granted $50 million for the same purposes. The republican government will also set aside an amount for the fund. "The state will hold the shares of only 30-35% of the economy, notably oil, gas and coal mining industries. The rest must be privatized and belong to the people," Nazarbayev said.

During his stay in Petropavlovsk, Nazarbayev said he had sent an official proposal to create a Eurasian Union to the CIS Coordinating and Consultative Committee. The proposal was officially registered for consideration by CIS leaders at their October summit.

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Nazarbayev recalled of the fact that the Eurasian Union implied a single customs and defense space, single borders and coordination in foreign policy and trade for all its member-states. Nazarbayev said it was necessary to recognize Russian as the union's official language.

Nazarbayev confirmed that only non-warring states will be able to join the union. He pointed out that "ten times more people than in the Afghan war - almost 150,000 people - had been killed" in armed conflicts and wars on the territory of the former Soviet Union since 1989.

Nazarbayev on Relations With CIS Countries

LD2408172694 Moscow ITAR-TASS in English 1503 GMT 24 Aug 94

[By KAZTAG correspondent Anatoliy Shevelev—TASS]

[Text] Petropavlovsk (Kazakhstan) August 24 TASS—"I was thinking about Russia and other CIS countries friendly to Kazakhstan. Taking this into account, I put forward an idea of creating an Eurasian Union", Kazakh President Nursultan Nazarbayev told reporters here on Wednesday.

According to Nazarbayev, politicians are not unanimous about this idea, but it certainly has a lot of supporters. The Kazakh president believes the proposed Eurasian Union would make it possible to preserve a single economic space. "Which is vitally important to all of us. A union would be created, similar to European integration which enables to effectively address both general and particular economic issues", he noted.

CIS countries which are now at war should not be admitted to this union, Nazarbayev believes.

The Kazakh leader reported that recently he had moved a proposal to discuss the issue of the Eurasian Union at the next meeting of CIS heads of state.

Nazarbayev is currently on a working tour of the republic's virgin-land regions. At a meeting with workers and specialists of the Chapayevskaya Agricultural Firm in the Severnaya Kazakhstanskaya region, he stressed the need for enhancing inter-ethnic relations in the country.

"Although the situation does not provoke any concern at the moment, and equal rights are actually guaranteed to all Kazakh citizens, certain irresponsible politicians have succeeded in fuelling inter-ethnic strife", the president emphasised. According to him, "somebody would like to drag Kazakhstan into this as well". In particular, rumours are widely exaggerated about joining northern Kazakhstan to the Russian Federation, "although the Russian Government is known to observe all important international agreements and respects the existing borders between CIS member- countries", Nazarbayev stressed.

Kyrgyzstan

Akayev Message Suggests 'Coup d'Etat' in Offing

MM2508073594 Moscow PRAVDA in Russian 24 Aug 94 p 2

[Own information report: "Is a Coup Being Prepared?"]

[Text] According to reports from circles of foreign diplomats and correspondents in Moscow, President Askar Akayev of Kirghizia [Kyrgyzstan] has appealed to the leaders of a number of Western countries and Muslim states in a secret message which reports that he intends to dissolve the parliament in the near future and take the full panoply of power in the country into his own hands. He explains these actions by the "need for a struggle against conservative pro-communist forces which form the majority in the republic's organs of representative power."

So what is really happening in Kirghizia? The republic's economy has been destroyed as a result of incompetent reforms carried out by President A. Akayev. A total of 95 percent of the population is below the poverty line, and hundreds of thousands of people are on the brink of starvation. All this is generating just resentment at the policy being conducted by A. Akayev and his entourage. The republic parliament, reflecting the hopes of the majority of the inhabitants of Kirghizia, is insisting on radical changes in the political and economic line of the republic leadership. In this situation, clutching at power, A. Akayev is calculating on saving his position by resorting to unconstitutional dictatorial methods of rule. De facto preparing a coup d'etat, he is hoping for assistance and support from foreign states interested in strengthening their influence on the territory of the former USSR.

Top Officials Come to Blows in Dispute Over Property

MM2408113094 Moscow PRAVDA in Russian 23 Aug 94 p 2

[Report by Yuriy Razgulyayev: "Top-Level Fistfight"]

[Text] Bishkek—The Kirghiz [Kyrgyz] people have learned not from rumors, but from newspaper reports and eyewitness accounts, that an elementary fistfight took place on the very top floor of the imposing "White House" where the present-day "fathers of the nation" have established themselves.

The dispute between D. Kurmanaliyev, administrator of affairs of the Presidential Staff, and A. Kerimkulov, leader of the government apparatus, began in the office of D. Rustenbekov, state secretary and leader of the president's apparatus. To put it simply, the question was who will have real control of the huge quantity of property—dachas, cars, buildings—that has proliferated. In the "White House" garage, for instance, so many new

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Mercedes have appeared that they are now used by people who are by no means the most important officials.

What precisely the two "administrators" disagreed over, it is now hard to say. But on leaving the state secretary's office, they continued their discussion in the jargon of street traders, and it all ended with a broken nose. One of the injured parties filed a lawsuit. The "White House" has been buzzing like a disturbed beehive for some time. The only person remaining silent is the president, who personally handpicked these resolute and uncompromising officials.

Tajikistan

Russian Official, Border Forces Commander Visit

LD2508093494 Dushanbe Radio Tajikistan Network in Tajik 0800 GMT 25 Aug 94

[Excerpts] Yesterday Colonel Nikolayev, commander-in-chief of the border forces of the Russian Federation and Chernyshev, deputy minister for foreign affairs of the Russian Federation arrived in Dushanbe on a working visit. At the airport the guests were received by Abduljalil Samadov, Chairman of the Cabinet of Ministers of the republic. [passage omitted] While talking to the journalists Colonel Nikolayev said that this visit is tied with the new situation on the Tajik-Afghan borders, and escalation of the clashes during which border guards from Russia and residents of Tajikistan who were called to join the border forces of Russia were killed. The Russian General stressed that he will examine additional measures for the protection of the borders with high ranking leaders of Tajikistan and related ministries. The strength of the (?forces) is sufficient but it is necessary to divide them sensibly, the Commander stressed. Chernyshev, deputy Minister for Foreign Affairs of the Russian Federation said that while in Dushanbe he will examine issues related to the third round of intra- Tajik talks. There are big hopes from these talks.

Gen Nikolayev Comments on Visit

LD2408234594 Moscow ITAR-TASS World Service in Russian 1645 GMT 24 Aug 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 24 Aug—"Of course, the price Russia is paying here is very great, but Russia is paying this price for its own security." Journalists were told this by Andrey Nikolayev, commander in chief of Russia's border troops, who arrived in Tajikistan today, as he was referring to recent events on the Tajik- Afghan border and to the losses sustained by Russian border guards as they repulsed the recent armed attack on the 12th post of the Moskovskiy border detachment by the armed opposition.

Gen. Nikolayev arrived in Dushanbe today for a brief working visit, during which he intends to discuss with Tajikistan's leadership measures to further strengthen the Tajik-Afghan border, besides working out decisions for a political settlement of the intra-Tajik conflict.

At present, he said, the Russian border contingent in Tajikistan possesses sufficient forces and equipment. It is just necessary to use them skilfully.

The Russian delegation also includes Russian Deputy Foreign Minister Albert Chernyshov, who plans to hold a series of consultative meetings with the political leadership. All existing problems need to be tackled by political means and our task is to facilitate a resumption of the inter-Tajik dialogue, the Russian deputy foreign minister said. Each of the warring sides can set any conditions, but they should be constructive and mutually acceptable, he noted.

During their working visit, the members of the Russian delegation will meet Emomali Rakhmonov, the head of Tajikistan and chairman of its Supreme Soviet; Abdulmadjid Samadov, the prime minister; Rashid Olimov, the republic's foreign minister; and leaders of the republic's power-wielding structures. They are expected to visit one of the Russian border posts.

Meets With President Rakhmonov

LD2508105594 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 25 Aug 94

[Text] Colonel Andrey Nikolayev, commander in chief of the Russian border forces, has arrived in the capital of Tajikistan. He has met with Emomali Rakhomonov, head of state and chairman of the Tajik Supreme Council. The two discussed measures for strengthening the Tajik-Afghan border and also questions on resolving the intra- Tajik conflict. Russian Deputy Foreign Minister Chernyshev arrived in Dushanbe together with Andrey Nikolayev. He is planning to hold a series of meetings with the leadership of the republic, the Government, and the Tajik foreign minister. One of the questions to be examined during the meetings will be the resumption of the intra- Tajik talks.

Three Injured in Border Post Shelling

LD2308081894 Moscow ITAR-TASS World Service in Russian 0700 GMT 23 Aug 94

[By unidentified ITAR-TASS correspondent]

[Text] Dushanbe, 23 Aug—Three Russian border guards were wounded on Tuesday when the 12th post of the Moskovskiy border guard detachment came under rocket fire.

According to a report by the headquarters of the command of the Russian border troops in Tajikistan, three rockets were fired at the location of the post. The shelling was carried out both from the territory of Afghanistan and from the Tajik rear where one of the Tajik opposition's armed groupings has been deployed in nearby mountains.

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The situation in this region over the past five days has been extremely tense. Over the past week, about 100 rockets in total have been fired at the border territory of the 12th post. The command is not ruling out the possibility that the armed opposition, which has military bases on the neighboring territory of the Islamic State of Afghanistan, will attempt to attack the 12th post in order to create a bridgehead to advance deep into the Kulyab region (part of Khatlon Oblast). The Russian border guards are taking steps in conjunction with units of the 201st Russian Motorized Rifle division to reinforce this sector of the Tajik-Afghan border.

Combat Operation Against Opposition Continues

LD2408075894 Moscow ITAR-TASS World Service in Russian 0622 GMT 24 Aug 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 24 Aug—A large-scale operation to neutralize and drive away the armed opposition group that infiltrated a Tajik border area on 17-18 August is continuing for a second day in the sector guarded by the 12th outpost of the Moskovskiy border troop detachment of the Russian border troops in Tajikistan. The opposition group is estimated to be about 200 strong.

The information department of Tajikistan's Foreign Ministry, quoting military sources in Dushanbe, told an ITAR-TASS correspondent today that through a joint effort of the Russian border guards, the 201st Russian Motor Rifle Division, and units of Tajikistan's Defense and Security Ministries, the armed group has at this stage been driven out from the nearby commanding heights and is literally "fleeing to the Afghan side."

According to military sources, more than 20 enemy fighters have been killed or wounded, while one rocket launcher, over 100 surface- to-surface rockets, and large numbers of firearms have been seized. Unfortunately, there have also been casualties in the joint Russian-Tajik force. Three servicemen were killed in action on 23 August. It is not yet clear whether the killed servicemen were Russian or Tajik.

The combat operation in the sector guarded by the 12th outpost of the Moskovskiy border detachment continues today.

Army Spokesman on Opposition Strategy

LD2308162294 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 23 Aug 94

[Video report from Tajikistan by correspondent Yekaterina Sedova—from the "Novosti" newscast]

[Text] [Announcer] Media attention continues to focus on the situation in Tajikistan. The 12th outpost of the Moskovskiy border detachment came under rocket fire today. Three Russian servicemen were wounded.

[Sedova] The rocket attack on the 12th outpost, in which three Russian border guards were wounded, was dictated by the strategy of the armed opposition, which wants to create a bridgehead for protracted guerrilla warfare. This is the view of a spokesman for the Tajik armed forces, Major General Faroukh Niyazov. Niyazov also said that the combat operations carried out by the opposition, supported by Afghan mojahedin and mercenaries from Arab countries, against the border guards of the Moskovskiy detachment and CIS peace-keeping forces have a clear strategic objective—to seize a mountainous area of Tajik territory on the republic's border with Afghanistan. Once this aim is achieved, the leaders of the armed opposition will be able to set up a base for training and logistical backup where military professionals can be trained, Niyazov considers. All this is being organized with the aim of conducting long-term warfare.

The mountainous area which has been selected is advantageous in that it can be used as a direct conduit for the delivery of arms, ammunition, and food from Afghanistan. That is why the fighting is so fierce; the Moskovskiy border detachment and its 12th outpost will not allow the area chosen by the armed formations to be occupied. Hostilities will continue, General Niyazov said, until the opposition renounces force as a way of seizing power.

Islamic Revival Movement Says Offensive to Continue

LD2408121194 Moscow INTERFAX in English 1100 GMT 24 Aug 94

[Text] In the near term the Tajik opposition will continue its offensive on the Tajik-Afghan border, deputy chairman Turadzhonzoda of Tajikistan's Islamic Revival movement told Interfax.

"We are fighting against the regime in Dushanbe," he said. "We have no other way out because Dushanbe refused to sign an agreement on a temporary cease-fire during the Moscow (April 5-19) and Teheran (June 18-27) rounds of negotiations."

Turadzhonzoda said that as a result of an offensive near the 12th post of the Moskovskiy frontier detachment August 18-19, when seven Russian frontier guards were killed and 14 wounded, the fighters did not retreat to Afghan territory but remained in the Tajikistan mountains.

According to Tajikistan's Security Ministry, opposition attacks are aimed at opening "the second front of resistance in the south of the country, near Kulyab and Shuroabad." The opposition intends to create its stronghold here. The opposition believes that it has already managed to create a similar stronghold in the region of Tavil-Dara, 300 kilometers to the east of Dushanbe.

General Says Opposition Set for 'Guerrilla War'

LD2308110794 Moscow ITAR-TASS in English 1056 GMT 23 Aug 94

[By ITAR-TASS correspondent Anatoliy Yurkin]

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[Text] Moscow August 23 TASS—The shelling of the 12th border post, which killed three Russian border guards, was dictated by the armed opposition strategy aiming to create a bridgehead for a protracted guerrilla warfare, according to Major General Faroukh Niyazov.

The general representing the present government's armed forces told ITAR-TASS that the continuous combat activity of the opposition armed formations conducted with the support of Afghan mojahedins and mercenaries from Arab countries against Russian border troops and the Commonwealth peacekeeping forces in the region have a strategic objective to capture a mountainous area bordering on Afghanistan in order to set up training bases there. The opposition is planning to train snipers, mine-layers and operators of mobile missile launchers and anti-aircraft guns for a future long-term war.

The area was chosen by the opposition because it is conveniently located for direct deliveries of arms. Ammunition, military hardware and food from Afghanistan.

The opposition forces are furious that the Moscow border troops group rebuff all their attempts at occupying the area chosen by them for setting up permanent bases. The Russian border troops and the Commonwealth peace-keepers in the region have mounted a dependable defence system there replete not only with automatic guns but also with mortars, and multi-rail rocket launchers. Their effective fire power renders futile all attacks by opposition militants.

According to the general, combat activities will continue unless the armed opposition gives up its forcible methods in the struggle for power. For this reason, he sees the presence and further reinforcement of Russian border troops and Commonwealth peacekeeping units in Tajikistan's border regions as fully justified as they serve as a deterring factor against escalation of military action imposed on the republic by extremist forces.

Government, Supreme Soviet View Border Events

LD2008080094 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 20 Aug 94

[Text] A joint sitting of the cabinet of ministers and the presidium of the Supreme Soviet of the Republic of Tajikistan was held yesterday. It was chaired by Emomali Rahkmonov, head of state and chairman of the Tajik Supreme Soviet. The meeting focused on the tense situation on the Tajik-Afghan border.

Head of State Emomali Rahkmonov stressed that the situation on the Tajik-Afghan border has worsened recently, despite attempts to tackle the issue by peaceful means through talks. Groups from the armed opposition and those supporting them are trying to jeopardize the process of normalizing the political situation in Tajikistan. They are fighting hard against Russian Federation units in Tajikistan and the armed forces of the Republic of Tajikistan. The session held that the opposition's use of force, acts of terrorism, destruction, and the taking of hostages are attempts to avoid tackling the issues by political means.

The joint meeting instructed the government of the republic to examine all avenues to ensure that military units get the material and technical supplies they need to strengthen the borders. The Tajik Government was instructed to make a statement on the recent events on the Tajik-Afghan border.

Defense Ministry on Role of Arab Mercenaries

LD2208104494 Moscow ITAR-TASS in English 1023 GMT 22 Aug 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe August 22 TASS—The Tajik military possesses documentary reports of mercenaries from a number of Arab countries fighting on the side of the Tajik opposition, the Tajik Ministry of Defence told ITAR-TASS today.

According to a high-ranking Tajik Defence Ministry official, two dead Arab nationals were found on the site of a recent encounter between the government army detachments and an anti-government group in the Pamir region villages of Argonkul and Lairon in the Tavildari district. The dead Arabs' nationality was, in particular, testified to by documents, identity cards and instructions in Arabic to erect defensive military-engineering works found on their persons. The presence of mercenaries from Afghanistan and Arab countries has also been confirmed by statements made by local residents and intercepted wireless conversations.

Colonel Vladimir Novikov, chief of staff of the Russian group of border guards in Tajiksitan, said at a press conference on Friday that mercenaries from third countries are taking part in attacks on Russian border outposts together with the Tajik opposition.

In turn, Vasiliy Likholet, chief of the Tajik Defence Ministry's press centre, categorically refuted press and some individual Tajik opposition leaders' reports alleging the partcipation of Russian armed detachments and mercenaries in military operations against the opposition forces of the republic.

Turkmenistan

Niyazov Arrives in Iran To Sign Pipeline Agreement

LD2308095194 Moscow ITAR-TASS World Service in Russian 0915 GMT 23 Aug 94

[Text] Tehran, 23 Aug (ITAR-TASS) —Turkmenistan's President Saparmurad Niyazov arrived in the Iranian capital today to sign an agreement with Iran on the construction of a pipeline to export Turkmen natural gas to Europe across neighboring Iran. President Niyazov was welcomed at Tehran airport by Iranian President 'Ali Akbar Hashemi-Rafsanjani. At the airport, Niyazov told correspondents

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that he would attempt to implement all of the agreements on this issue previously reached with Iran.

Comments Prior to Departure

LD2408113894 Moscow ITAR-TASS in English 1108 GMT 24 Aug 94

[By ITAR-TASS correspondent Lyudmila Glazovskaya]

[Text] Ashkhabad [Ashgabat] August 24 TASS—Turkmen President Saparmurat Niyazov gave an interview to ITAR-TASS on the eve of his departure to Tehran to attend a conference of an interstate council for issues of the oganisation of exports of Turkmen oil and gas to the world market.

According to the president, the West has began to look upon the post-Soviet Asian region as a kind of an unresolved enigma rather difficult to solve because it is hard to realise how the idea of unification can exist side-by-side with principles of independence.

Niyazov pointed out that the disintegration of the former Soviet Union triggered serious changes on the world map, and primarily, of the Asian continent. Both geographically and politically, a new region appeared on which the world balance depends to a great extent, the president said. He is convinced that the goal of all politicians should be the achievement of peace in the region, which was disrupted for various reasons. Turkmenistan set itself this goal two years ago by joining the Helsinki Treaty and proclaiming the policy of positive neutrality, Niyazov said.

"We realise that sooner or later, partnership stemming from the idea of "inviolate friendship, will go into the past, Niyazov said. The laws of peace and market dictate to us a new integration mechanism of equal and mutually advanategous partnership. Partnership, like independence, cannot be curtailed or be developed half-way. Niyazov said that Turkmenistan does not approve of super- national or confederative ideas not because it rejects partnership or displays isolationism. On the contrary, it objectively becomes a transit territory and a center attracting trade and economic interests.

Peace maintained on the border with our neighbors, Iran and Afghanistan, can be considered attained if a peacekeeping process, apart from pure politics, penetrates deep into the economic essence of all adjoining states. The realisation of this is growing in the region, he said.

He pointed out that the project of a gas pipeline running from Turkmenistan to Europe is of interest both to Russia, Turkey, Iran, Kazakhstan and many European countries to whom gas will be supplied in future. A project of gas supplies to Pakistan via Afghanistan and further to India is being considered, let alone a project of the century—supplies of Turkmen gas to Japan via China, Niyazov said.

"The present democratic Russia is our key partner," he stressed. We have not only emphasised this at talks with neighboring countries, but are taking Russia's interests into account in our agreements. As for the CIS, our position remains invariable : equal partnership on principles of consultations for the sake of our mutual benefit, Niyazov said.

"Our neutrality is not in a frozen state, it is not an attempt at isolation, but rather the goal and means of joining the world community by means of partnership and accord," the Turkmen president said.

Uzbekistan

President Issues Edict on Agriculture

LD2308115294 Tashkent NARODNOYE SLOVO in Russian 23 Aug 94 p 1

[Text] The edict by the Uzbek president on measures to stimulate and develop agriculture:

With the aim of enhancing material incentives for farming enterprises to increase further and improve the quality of the output and to resolve social problems in the countryside:

1. Cancel state orders established by the government on agricultural production, except state orders for cotton fiber and cereal grains, and switch over to free purchase prices for livestock and milk.

3. Increase the share of production to be left at the disposal of enterprises, which have fulfilled fixed assignments, to a third of the overall volume of cotton fiber and grain purchases. Earlier, established volumes of state orders were reduced form 75 to 67 percent.

Fix the stated level of state orders for the 1994 cotton harvest and the 1995 grain crop.

3. Set purchase prices for raw cotton of the 1994 crop at an average of 1,200 sums per tonne (taking into account that cotton fiber costs 3,750 sums) and for food grain of the 1995 harvest at an average of 1,000 sums per ton.

4. The Uzbek Cabinet of Ministers is to adopt a decree on measures to carry out organized harvesting of the 1994 crop of raw cotton.

[Signed] I. Karimov, president of Uzbekistan

[Dated] Tashkent, 22 August 1994

Orders on Agricultural Produce Abolished

LD2308025594 Moscow Mayak Radio Network in Russian 0230 GMT 23 Aug 94

[Text] The president of Uzbekistan, Islam Karimov, has issued a decree abolishing state orders on all types of agricultural produce except cotton fiber and grain. In accordance with the document the purchase price of cotton is to be increased tenfold.

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Azerbaijan

Aliyev Discusses Karabakh Solution With CSCE Official

NC2408153094 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1300 GMT 24 Aug 94

[Text] [Announcer] Azerbaijani President Geydar Aliyev received a delegation headed by Jan Eliason, chairman of CSCE Minsk Group on Nagorno-Karabakh, late on the night of 23 August. Our correspondent reports:

[Correspondent Ramiz Meshedihesenli] A cease-fire has been in effect in the conflict zone for more than three months. Proposals and drafts are being put forward in international forums to peacefully resolve the aggressive war waged by Armenia against Azerbaijan for the last six years. And only now is a positive change being felt. Both the meeting of the Russian president's plenipotentiary representative on the Karabakh problem Vladimir Kazimirov with the Chairman of CSCE Jan Eliason in Stockholm last month, and the latest meeting between the Azerbaijani and Armenian defense ministers and the commander of Nagorno-Karabakh Armed Forces in Moscow laid the foundation for continuing the cease-fire.

There was a broad exchange of views on the peaceful resolution of the conflict during Azerbaijani President Geydar Aliyev's meeting with Jan Eliason, chairman of CSCE Minsk Conference on Nagorno- Karabakh, late last night.

Geydar Aliyev specially noted the indispensable role of the CSCE in securing the cease-fire, and reiterated that Azerbaijan favors a peaceful resolution of the conflict.

It was noted that the peace talks should continue by taking advantage of the existing calm, and efforts should be made to conclude the Major Political Agreement. It was stated that the CSCE and Russian plans coincide.

Azerbaijani president said that he pins great hopes on the CSCE and trusts its chairman Jan Eliason.

Jan Eliason shared with those present his views on his talks with Vladimir Kazimirov in Stockholm and the agreement reached there, as well as on the importance of the meeting between the sides in Moscow. He spoke on the ongoing preparatory work for the signing of the Major Political Agreement, noting that the occupied Azerbaijani lands will be liberated and the refugees will return to their homes. Jan Eliason said that it will be possible to peacefully resolve the conflict if conditions and opportunities are created for the Minsk Group to function.

Geydar Aliyev reminded Eliason that Azerbaijan is the injured side and said that every condition and opportunity will be created for the members of the CSCE Minsk Group to resolve the conflict. The introduction of peace-keeping forces into the region was also discussed.

The Azerbaijani president said that he believes that the Armenian-Azerbaijani conflict will be peacefully resolved as a result of the cooperation between the CSCE and Russia.

[Announcer] Dear listeners, the Swedish diplomat's visit to the region will end on 30 August. Our republic's foreign minister, Gasan Gasanov, State Adviser Vafa Gulizade, and other officials took part in the meeting.

Russian-Speakers Appeal to Aliyev Over Rights

LD2308132594 Moscow INTERFAX in English 1131 GMT 23 Aug 94

[Text] Activists of Azerbaijan's Russian-speaking community have expressed concern over developments forcing ethnic Russians to leave the former Soviet republic.

In a letter to Azerbaijani President Geydar Aliyev, they complain that the spheres where the Russian language is used are narrowing, that instruction in Russian in educational establishments is going down in scale, that there are not enough textbooks for Russian schools, and that there are fewer television and radio programs in Russian.

Nor do many Russian-speakers have any prospects to be promoted in their jobs, which is another reason for them to move from Azerbaijan, the activists say.

They claim the mounting emigration of ethnic Russians is having a strong negative effect on Azerbaijan, since 45 percent of its Russian-speaking population are people with a higher education.

While Azerbaijan's Russian-speakers consider it mandatory for every citizen of the republic to know the Azeri language, they believe that learning it should be a gradual process based on a plan.

They express the hope that the president help solve those problems.

Karabakh Defense Chief Kocharyan Praises Peace Process

LD2408200994 Moscow ITAR-TASS World Service in Russian 1135 GMT 24 Aug 94

[By ITAR-TASS nonstaff correspondent Leonid Martirosyan]

[Text] Stepanakert, 24 August—"All sides in the conlict are tired of the long drawn-out war, and they recognize the hoplessness of attempts to resolve the problem by force: These factors are creating real prospects for a peaceful resolution of the Karabakh problem," Robert Kocharyan, chairman of the State Defense Committee of the Nagorno-Karabakh Republic, said to journalists in Stepanakert. He continued: Unfortunately, the talks are now at a stage at which the conflicting sides do not yet see themselves as partners pursuing a common aim: a

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just peace. However, one can talk today about the objective phase of the start of the peace process, he said

Armenian, Karabakh Banks Sign Agreement Merging Systems

NC2308131094 Yerevan SNARK in English 0544 GMT 23 Aug 94

[The following item comes from the "BUSINESS-SNARK" file]

[Text] Yerevan, 22 August—Central Bank officials of Armenian and Nagorno-Karabakh Republic [NKR] signed an agreement in Stepanakert today on merging the monetary systems and organization of accounts between the principal banks of two republics.

According to the document, parties shall carry out an interactive credit and financial policy and undertake the measures aimed at stabilization of national currency.

At the same time, NKR Central Bank shall be guided, according to the agreement, by the official currency rates, as determined by the Armenian Central Bank. The latter in its turn shall provide the NKR residents a free access to the currency market of Armenia.

Georgia

Georgia Suspends Quadripartite Commission on Abkhazia

LD2308215594 Moscow ITAR-TASS in English 2018 GMT 23 Aug 94

[By Georgian News Agency—TASS]

[Text] Tbilisi August 24 TASS—The Georgian side, a party to the quadripartite commission for Abkhazian settlement, has announced the suspension of the commission activities.

A reason for this is systematic raising by Abkhazia of political questions at commission meetings, and this goes beyond the commission competence. The Abkhazian side was absent from the two latest meetings of the commission.

"Such behavior is a deliberate attempt to protract and break the process of refugee return to their homelands," says a Georgian statement.

The Georgian side has "passed over to the office of the U.N. High Commissioner for Refugees 4,917 applications which register 18,968 residents of the Gali region. Despite efforts of the office of the U.N. High Commissioner for Refugees the Abkhazian side refuses to accept the applications," says the document.

Abkhazia Refutes Legality of Russian Agreement

LD2408163994 Tbilisi CONTACT INFORMATION AGENCY in Russian 1000 GMT 24 Aug 94

[Text] Sukhumi [no dateline as received]—It has become known that the Supreme Council of the so-called Republic of Abkhazia sent a statement to the Russian Ministry of Foreign Affairs, which had recently subjected to harsh criticism the Abkhaz-Tatarstan intergovernmental agreement signed in Kazan.

The statement of the Supreme Council of Abkhazia says that all references by Russia to the Russian-Georgian agreement are groundless as the agreement has not yet been ratified by Russia's State Duma, which means that the agreement has no legal power.

Shevardnadze, German Envoys Discuss Abkhazian Issue

LD2408164594 Tbilisi SAKINFORM in Russian 0900 GMT 24 Aug 94 (Tentative)

[Text] Today, Georgia's head of state Eduard Shevardnadze received Brigadier general Guenter Lange, the military attache of the German Embassy to Russia, who is on a business visit in Georgia, and German Ambassador to Georgia Guenter Dalhoff.

Realistic prospects for the cooperation between the military departments of the two countries were discussed at the meeting. In particular, the German side intends to give medical equipmnet to the Georgian Armed Forces.

Shevardnadze thanked his guests for their support in building the Georgian Army. When touching on the Abkhazian issue, the Georgian leader said that the Russian factor is important in resolving the Abkhazian conflict. Shevardnadze stressed that peace in the Caucasus effectively depends on the outcome of the peacekeeping process, and that it is in the interests of both Georgia and Russia.

Shevardnadze Issues Decree on Combatting Economic Crime

LD2308172294 Moscow INTERFAX in English 1630 GMT 23 Aug 94

[By Nikolay Zherebtsov and Andrey Petrovskiy]

[Text] Georgian leader Eduard Shevardnadze has issued the decree on attaching a department for combating economic crimes and mafia to the State Security Service.

The State Security Service's press center told Interfax on Monday that the new body would concentrate on investigating crimes committed by staffers of the National Bank of Georgia who illegally granted credits worth billions to criminal dealers and their high- ranking patrons with the connivance of this bank's former managers.

Interior Minister Shota Kviraia told Interfax that the crime situation remained serious in Georgia and that urgent measures must be taken to combat organized crime. He also said that extraordinary measures, including immediate execution, would be applied to the criminals who would offer resistance to the police.

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INTERFAX Note: Shevardnadze told national radio yesterday that Georgia was declaring an all-out war against mafia and rackets which are undermining the economy even more seriously than the energy crisis.

Georgia's Prosecutor-General Dzhamlet Babilashvili told a press conference in Tbilisi that his agency was busy investigating 40 cases connected with serious economic crimes.

"Most of them have to do with mishandling the National Bank's soft credits granted with the connivance of high-ranking officials," he said. The mishandled credits were worth hundreds of millions of dollars.

Babilashvili did not disclose any names, but said that the Georgian Prosecutor-General's Office was investigating these cases jointly with colleagues from Russia and Interpol.

He announced that the largest bank accounts of Georgian criminal dealers had been found in Russia and in the West, including Polish banks.

The press center of the Georgian Interior Ministry told Interfax that Georgian Interior Minister Shota Kviraia had arrived in Moscow to discuss the possibility of deporting from Russia a large group of Georgian criminal dealers who had started their business in Moscow using credits of the National Bank of Georgia. According to the Georgian Interior Ministry's sources, all of these dealers are connected with high-ranking Georgian officials.

Shevardnadze Greets Kuchma on Ukraine's Independence Day

LD2408165594 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 24 Aug 94

[Text] Georgia's head of state Eduard Shevardnadze has sent greetings to Ukraine's President Leonid Kuchma. The letter says:

Your highness, please receive my congratulations on the occasion of a remarkable date, the third anniversary of Ukraine's independence.

Long friendship between our peoples, and close business links between them have laid the foundations of good traditions. Georgia considers Ukraine's success as its own and celebrates Ukraine's holidays as its own. We are sure that the great intellectual and creative potential of the Ukrainian people will guarantee the development of independent Ukraine. Once again, deeply revered Leonid Danyelevich, I congratulate you on the great recognition of the Ukrainian people on electing you to a high post. I am sure that you share our hopes for developing more intensive cooperation between Ukraine and Georgia, which has been reinforced by intergovernmental agreement.

With best wishes

[Signed] Eduard Shevardnadze.

'More Complex' Electric Power Situation Expected

AU2408180194 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 18 Aug 94 p 2

["Statement by the 'Sakenergo' Department Press Service"; place and date not given]

[Text] In spite of numerous requests from the "Sakenergo" [Georgian Power Engineering] Department, the republic's enterprises and population are not paying on time for the costs of electricity being consumed and, as a result, debts have exceeded 5 trillion coupons.

In conditions of inflation, the delayed repayment of electricity debts is causing great financial damage to "Sakenergo," is hindering the timely preparations for the forthcoming fall and winter period, and is delaying the import of fuel and power resources. This, moreover, will place the republic in a far more complex situation during the fall and winter periods.

At the present time, the following have incurred considerable debts: "Tbiltsyalkanali" [Tbilisi water canal]—800 billion coupons; the "Azoti" production association—500 billion; "Kelasi"—200 billion; "Chiaturmanganumi" [Chiatura manganese]—120 billion; the Kutaisi motor works—45 billion; Georgian railways—130 billion; the Rustavi power facilities [elnagebobata] board—70 billion; Tqibuli "Saknakhshiri" [Georgian Coal]—43 billion.

We once again ask debtors to pay their electricity debts in the shortest period of time, which will guarantee the normal functioning of the electricity system in the fall. Otherwise, the "Sakenergo" Department will be forced to cut off the supply of electricity to recalcitrant payers.

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Estonia

Decree To Ensure Dismantling of Paldiski Base Issued

WS2408102194 Tallinn BNS in English 1515 GMT 23 Aug 94

[Text] Tallinn, Aug 23, BNS—To make sure that the government representative to the Paldiski nuclear base can work unobstructed, the government today ordered the Justice, Defense, Environmental, Finance, Internal, Foreign, and Roads and Communications Ministries to appoint their representatives to help settle the problems that might arise in the Estonian-Russian cooperation to carry out the Paldiski agreement.

The government representative is authorized to give orders to Estonian institutions in questions related to the dismantling works. He will be assisted by an interpreter and a group of experts. He can send the government materials for passing additional legal acts through the appointed government commission.

The Finance and Internal Ministries have orders to materially assist the representative. The Foreign Ministry is to negotiate the possibility of using 15-20 percent of the U.S. environmental aid to clean the area of the reactors.

Nuclear Fuel To Stay On Site 3 Months

LD2408103994 Tallinn Radio Tallinn Network in Estonian 1700 GMT 23 Aug 94

[Excerpts] Now about Paldiski [Russian nuclear and naval base] where the lid of the [nuclear] reactor will be lifted and a fuel rod will be taken out tomorrow morning. Priit Ennet reports:

[Ennet] Experts regard the opening of a reactor lid as the most dangerous stage. It is estimated that tomorrow's work will take three to six hours. Altogether, it will take about three months to remove the fuel from the two reactors and contain it. The removed fuel will be stored on the nuclear installation's site in special containers until it is shipped away. Juri Tikk, the special government representative in Paldiski, thinks that there is no reason for concern:

[Begin Tikk recording] During all this time both our side and the Russian side will be taking measurements, with continuous checks, and should any problems arise it will be known immediately. I would like to add right here, talking about the disappearance or theft [of nuclear material]—whatever you call it—is out of the question here. The Russians are guarding the installation seriously from the inside, and the Estonians [are guarding it] from the outside. So there is no problem here. [passage omitted] [end recording]

It was at the beginning of the 1980's when the fuel in the Paldiski reactors was last replaced. The operation was even more difficult [words indistinct] the reactors don't have to be refilled with fuel. The equipment necessary for the work is said meanwhile to have been developed to provide greater safety.

Dismantling To Be Complete 30 Sep

MK2408114294 Moscow SEGODNYA in Russian 24 Aug 94 p 2

[Report by Yuriy Maloveryan: "Dismantling of Russian Nuclear Reactors Starts in Paldiski. Estonian Opposition Compares Agreement With Russia to Molotov-Ribbentrop Pact"]

[Excerpts] The dismantling of two training nuclear reactors has started today in the town of Paldiski, the former Soviet submarine fleet base. As the first stage, nuclear fuel will be removed from the reactors and taken away to Russia, following which the reactors themselves will be taken apart and taken to Russia.

Special security measures will be in force in Paldiski and environs while the nuclear fuel is being carried away. The first day when the reactors' lids are to be opened is thought to be the most dangerous. On that day all children under age will be taken from the small town for a free excursion to the zoo in Tallinn.

The reactors' dismantling is expected to end by 30 September under the agreement between Russia and Estonia, with the two hundred odd Russian military specialists busy eliminating the reactors to remain in Paldiski until that date.

The other remaining Russian military men are, as is known, leaving Estonia in a week's time—31 August. [passages omitted]

Under the agreement signed on 26 July at the Russian-Estonian talks in Moscow, the Russian retired officers and members of their families may get residence permits and all corresponding social and economic rights—to property, medical services, and so on. Estonia is free to deny residence permits to those retired officers who in the view of the authorities pose a threat to the country's security. It is supposed that the number of such retirees—former KGB, Spetsnaz [special-purpose troops] men, and commandos—may run to nearly two thousand out of the eleven thousand living in Estonia. The agreement contravenes neither the law on foreigners nor the government decrees on this matter which have satisfied Estonia's opposition.

All who are not in the government today refer to the Yeltsin-Meri treaties as a "modern version of the Molotov-Ribbentrop Pact" and call for their abrogation. "They are uneasy because the troops withdrawal will be completed under the government of Mart Laar. Had precisely the same agreements been signed when they were at bat, they would sit back and await the laurels," said Tijt Sinisaar, head of the "Ismaa" ruling party

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parliamentary faction, in an interview for BALTIYSKAYA SLUZHBA NOVOSTEY [Baltic News Service].

One of the trump cards held by the opposition, who state the treaties are illegal, is a procedural slip-up—on 26 July, presidents Meri and Yeltsin signed only the Russian versions of the two treaties whereas the text contains the usual provision that the treaties should be in two languages, in two equally valid copies.

This error is only being corrected today—Mr. Meri signed the texts in Estonian on Saturday, and they were sent on Monday to Moscow to be signed by Boris Yeltsin.

The troop withdrawal is, however, in full swing. Not without problems. The Russian generals have decided to take a shortcut in solving the problem of housing for the officers whose units are being pulled out, and sent into retirement several hundred people right there in Estonia. For example, nearly 400 officers and warrant officers of the officially scrapped naval base in Tallinn have been thus discharged. They have nowhere to go with no chances of getting residence permits in Estonia as having been discharged from military service after August 1991. True, Estonia cannot deport them either—there is no such law.

Paldiski Reactor Lid Lifted

LD2408120794 Tallinn Radio Tallinn Network in Estonian 1100 GMT 24 Aug 94

[Text] At 1245 the Russian side announced that dismantling work on the nuclear reactor at Paldiski planned for today has been completed. A reactor lid was lifted; all chances that any danger would result in the town or its environs have been ruled out. The commandant's office in Paldiski said that work on the reactor would continue tomorrow. The radiation level in the town is normal—it is 0.10-0.12 microroentgens, which is even less than in central Tallinn.

According to a rescue department representative, firefighting and law and order reinforcements which were brought in on Tuesday will be moved elsewhere today. However, the town's firefighting team will continue in greater strength than usual.

Cooperation Protocol Signed With Swedish Parliament

LD2308152794 Tallinn Radio Tallinn Network in Estonian 1200 GMT 23 Aug 94

[Text] Ingegard Troedsson, the speaker of the Swedish Parliament, and Ulo Nugis, the speaker of the Estonian Riigikogu, signed a protocol on cooperation of the two parliaments in Tallinn today. According to the Riigikogu press service, a large part of the protocol relates to cooperation in developing the technical side of parliamentary work. Separate discussions on technical cooperation between the Swedish and Estonian Parliaments are to be held at Toompea [seat of Estonian Parliament and Government] today and tomorrow [24 August]. The visit by the Swedish Parliament delegation is to last until tomorrow.

Russian Navy Hands Over Port in Tallinn

LD2308161594 Tallinn Radio Tallinn Network in Estonian 1400 GMT 23 Aug 94

[Text] Miinisadam Harbor in Tallinn has been taken over from the Russian naval authorities. The harbor will not be used for at least a year because many ships have sunk there and they must be recovered.

According to Defense Minister Enn Tupp, the Russian troops are experiencing technical difficulties in leaving Estonia. He said the Defense Ministry is ready to assist the Russian military with their departure, if they ask for it. The defense minister said he had advised the local Russian military command to inform the Estonian Defense Ministry about its difficulties, but the Russian military has not yet responded. Enn Tupp thinks that if the Russian military says they have no difficulties, they are bound to leave by 31 August. He estimates that there are now about 1,000 Russian servicemen in Estonia, ESTONIAN TELEGRAPH AGENCY reports.

Laar Says Yeltsin Must Sign Estonian Version of Accords

WS2408102094 Tallinn BNS in English 1515 GMT 23 Aug 94

[Text] Tallinn, Aug 23, BNS—The final legal analysis of the July 26 Russian-Estonian agreements can be launched only after the Russian President Boris Yeltsin has signed the Estonian-language versions of the documents, said Mart Laar, prime minister of Estonia, on a news conference today.

Laar argued that the Justice Ministry can't give its legal evaluation before the final versions of the texts have been fixed, "because every nuance in these accords is extremely important." President Lennart Meri signed the Estonian-language agreement texts on Aug. 20. The texts were sent to Moscow yesterday, Aug. 22, for Yeltsin to sign them. The Estonian presidential aide Indrek Pajumaa said in an interview to BNS he hoped Yeltsin would sign the accords in a few days' time.

On July 26 in Moscow, Presidents Lennart Meri and Boris Yeltsin signed the agreements on the Russian troops' pullout from Estonia and on the protection of the social rights of the Russian military pensioners and their families living in Estonia.

Although the accords include a clause saying both a Russian and an Estonian-language text version must be signed, only Russian texts were signed at that date.

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Commission on Residence Permits for Russian Military Formed

WS2408104994 Tallinn ETA in English 1751 GMT 23 Aug 94

["News Release"]

[Text] The Estonian Government at its session on Tuesday warranted Interior Minister Heiki Arike to set up a special commission which would, under Estonian-Russian agreement and a government decree, handle residence applications filed by the Russian retired military.

Prime Minister Mart Laar considered it necessary that next to a CSCE representative a member of the Decolonization Initiative Center, an organization fighting for decolonization of Estonia, belonged to the commission.

The commission and its tasks will be approved at next government session. Laar also said the government did not intend to alter the present order of granting residence permits to the retired military and that a respective government decree remains in force.

Laar also said that after signing bilateral agreement Russia has not changed the number of its retired military earlier presented to Estonia. Russia has said there are 10,500 retired Russian military in Estonia. "As far as we know those discharged after 1991 have not been included," Laar said.

Under agreement between Estonian President Lennart Meri and Russian President Boris Yeltsin Russia must present exact lists on its retired military by August 26.

Latvia

Army Not to Take Part in NATO, European Joint War Games

LD2308142294 Riga Radio Riga Network in Latvian 1301 GMT 23 Aug 94

[Text] Latvia's defense forces will not take part in joint military exercises of NATO and the eastern [European] states because they are not ready for activities at such a level, Latvian Defense Minister Valdis Pavlovskis reported.

The exercises will take place in Poland 12-16 September. Lithuania's armed forces will take part in them. The Latvian defense minister added that this year our defense forces will take part only in the Baltic states' joint military activities.

Official Says All Remaining Russian Servicemen 'Must Leave'

WS2308143294 Tallinn BNS in English 0912 GMT 23 Aug 94

[Text] Riga, Aug 23, BNS—As many as 1,358 Russian servicemen are still present in Latvia who, according to the Latvian-Russian agreements on army withdrawal signed on April 30 in Moscow, must leave Latvia by the end of August, Latvia's Russian Army Withdrawal Control Bureau Head Ilgonis Upmalis told BNS.

The above-mentioned servicemen are stationed in eight army units' military objects, which are not yet passed over to Latvia: in the Russian army war commandant's headquarters, in public prosecutor's office at the [as received], in the apartment maintenance board, in the Riga district apartment maintenance center and in the motor infantry rifle regiment in the Aluksne districts's Strautini.

Besides, the North-West Army Group's Headquarters are situated in Riga which is moved now from the Valdemara street to barracks on the Pernavas street. In the same place the headquarters guarding company is stationed.

In the barracks on the Pernavas street eight Russian armor vehicles are still situated. All the other military equipment, ammunition and weapons are already withdrawn from Latvia, noted Upmalis. Besides, Russian Army has not handed over to Latvia two resorts—Majori and Rigas Jurmala, the Riga airports' platform No. 4, Latvian Liepaja city's Tosmare ship repair factory and aviation factory in Riga.

Latvian committee for supervision the implementation of the Latvian-Russian agreements signed on April 30 held a meeting on Monday and it discussed problems related to army withdrawal. The committee members also discussed the further functioning of the Skrunda radar station.

Defense Ministry To Take Over Russian Army Headquarters

WS2508104294 Tallinn BNS in English 1648 GMT 24 Aug 94

[Text] Riga, Aug 24, BNS—The Latvian Defense Ministry is getting ready to take over the former Russian Northwest Army Group's headquarters in Riga, ministry spokesman Antons Cupans told BNS.

The Russian army has not completed its property removal so the Latvian defense officials are denied entrance into the building. Latvian President Guntis Ulmanis is scheduled to visit the unit Wednesday afternoon.

Lithuania

President Addresses Nation on Pact Anniversary

LD2308131894 Vilnius Radio Vilnius Network in Lithuanian 1200 GMT 23 Aug 94

[Text] We must not forget that Lithuania has always been in such a geographical position where the economic and political interests of big states cross. In the event of a threat little Lithuania would find it difficult to offer

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resistance. We must be strong in spirit, wisdom, and unity, stressed Lithuanian President Algirdas Brazauskas in his address on national television on the eve of "Black Ribbon Day", the 65th anniversary of the Molotov- Ribbentrop pact, which is marked today.

In his address President Brazauskas said that only flexible and well thought out foreign policy of Lithuania, based on good- neighborly relations can guarantee the independence and prosperity of the country, can guard Lithuania against plots like that of the Molotov-Ribbentrop pact.

President Denies Collaboration With Gorbachev

LD2408135694 Vilnius Radio Vilnius Network in Lithuanian 1100 GMT 24 Aug 94

[Text] Here is a statement by Nerijus Maliukevicius, the president's press spokesman:

The daily RESPUBLIKA carries an ugly insinuation against Lithuanian President Algirdas Brazauskas in its 24 August issue. The article, eloquently entitled "Mykolas Burokevicius Accuses Algirdas Brazauskas of Cooperation with Collaborators", mendaciously maintains that no one else but Brazauskas was to fly to Moscow in a special plane in the days before the January events [when KGB troops stormed the Lithuanian TV building]. A meeting between him and Gorbachev was to take place there. He [Brazauskas] gave his consent to this. However, this decision was later changed against his will and Sakalauskas [chairman of the Council of Ministers of the former Lithuanian SSR] was summoned to Moscow instead.

I have been authorized by the president of the republic to state the following:

Before the tragic events of January 1991 Brazauskas did not receive any invitation to visit Moscow and to hold talks with Gorbachev and does not have any information about such a meeting even if such a meeting had been planned by the soviet leadership. Brazauskas did not intend to go to Moscow on his own initiative either. All this information presented by Burokevicius is, putting it mildly, a fabrication.

Not only is the report itself surprising but also the fact that the editors of the daily RESPUBLIKA rely on such a prominent activist, in quotation marks, as Burokevicius whose role in the fight against the independence of Lithuania is well known to everyone, even without his interview.

Perhaps it is no accident that this publication appeared on the eve of the referendum. It looks very much like this was commissioned on political grounds.

The stand adopted by the General Procuracy also causes surprise. The law on criminal investigation does not allow the publication of information obtained during a preliminary investigation without the consent of the procurator or the investigator.

The question arises why Burokevicius, who is charged with committing a serious crime against the state, was allowed to meet with a journalist and to answer questions supplied to him through the investigator in written form. Perhaps instead of playing political games the General Procuracy should rather concentrate its efforts on more effective investigation of those criminal cases which have been noisily advertised but which have not yet reached the courts.

Center Party Leader on Baltic Center Party Meeting

LD2408123994 Vilnius Radio Vilnius Network in Lithuanian 0900 GMT 24 Aug 94

[Excerpts] We have already reported that last week a meeting was held in Tallinn of the center parties of the Baltic states. This is the second such meeting held by the Center parties.

Romualdas Ozolas, chairman of the Lithuanian Center Union, has just returned from the meeting.

[Begin Ozolas recording] [Passage omitted including indistinct portion] I liked the aspect by which an approach was made toward discussion of the problem of Molotov-Ribbentrop Pact. It shows that this is not some kind of historic problem, but a question of the most pressing necessity of today and the possibilities of tomorrow. [passage omitted] The silence on the part of the international community indicates that a very essential consequence of World War II, which in fact stems from the agreements of the Molotov- Ribbentrop Pact, is absolutely not being eliminated. [Passage indistinct] The fact that the term, near abroad, is insistently and persistently used by Russia, is very often ignored and not given proper assessment. What does this term mean? This means that Russia is making efforts to preserve the USSR zone at any costs for its possible official restoration, which could be achieved by imposing some means acceptable to Russia and agreed upon by Western Europe. [Passage indistinct]

We all agreed that the most pressing issue of today is the eastern border of the Baltic states because it is practically unguarded, open, and could be violated very quickly. We also agreed concerning our armies. These must be professional and small, which could be easily maintained and well-equipped. These armies could act very effectively and quickly. [passage indistinct]

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